



THE INDEPENDENT

THURSDAY 9 MAY 1996 40p (11R 15p)

INSIDE SECTION TWO

How fit are your children?
Your health, Part 3

A Savage ear for pop music
The cultural critic with attitude

Lean, mean and disturbing
How 'Kids' outdoes every film before it



UN storm as Israel faces indictment

Britain backs massacre report

DAVID USBORNE
New York
and ERIC SILVER
Jerusalem

A political storm erupted at the United Nations last night after a report which says the Israeli shelling of Lebanese civilians was not an accident went to the UN Security Council. Britain came abruptly to the defence of the UN as it was subjected to fierce criticism from Israel and the United States.

Israeli shells killed more than 100 people when they hit the Qana compound in southern Lebanon on 18 April. The crux of the UN report is that the pattern of impact left by the shells combined with other evidence made it "unlikely" that the shelling of the compound was the result of technical or procedural errors. The report was prepared for the UN Secretary-General, Boutros Boutros-Ghali, by two military advisors.

Its publication, on Mr Boutros-Ghali's orders, triggered a diplomatic tempest. Israel continued to dismiss its principle conclusions as "absurd" and the US showered the UN with telephone calls of protest. "I understand that four-letter words were used," remarked a senior diplomat in New York.

There was unexpected support for the UN from Britain, which up until the report's publication had appeared sympathetic to American desires to see it stifled. Sir John Weston, the British ambassador in New York, said: "This is a very disturbing report that needs to be taken seriously and we hope that Israel will respond fully to it." A clear rift had opened yesterday between the US and many European delegations.

Puncturing the normally staid calm of UN headquarters, the secretary-general's spokeswoman, Sylvana Foa, lashed out at the report's critics. "Let's be real clear. The report fulfilled an essential obligation of this or-

ganisation to investigate an incident in which 100 people were killed inside a UN base." Asked why she had spoken out so forcefully, Ms Foa said she had been "provoked for the last 24 hours. I am sick of all the UN-bashing. I think the report is extremely balanced and extremely objective."

The report provoked a series of telephone calls to the office of Mr Boutros-Ghali from the US mission in New York. Senior sources said some of these were "acrimonious". It was one such that was said to have degenerated to an exchange of curses.

Israel, meanwhile, continued to express its indignation yesterday. Speaking during a vi-

video material from a pilotless drone flying in the vicinity of the camp. According to Mr Dromi, it was three miles from the camp on a different mission when the shells rained down.

"There was no way in which it could see the camp, especially on a cloudy day," he said. "The shelling took place from six minutes past two to 13 minutes past two. It was only at 17 minutes past two that it was ordered to fly towards Qana. At 21 minutes past two it established contact with the camp for the first time, but the pictures were sketchy because of the cloud cover. It relayed pictures of the camp again at 2.30pm. The Israeli video was shown to the UN in New York... before they published their findings."

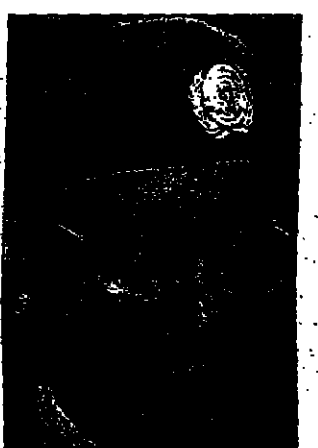
Mr Dromi reiterated Israel's insistence that its soldiers did not know they were shooting at the UN camp, or that Lebanese refugees were sheltering there. "We thought we were shooting hundreds of yards away," he said. "It was because of faulty coordinates. Then some of the shells overshoot."

"We believed at the time that we were shooting back as precisely as we could at Katyusha launchers and mortars that were endangering our forces. We had no intention of hitting the UN camp. We had no knowledge that there were civilians there."

In a television interview on Tuesday, the Israeli Prime Minister, Shimon Peres, said Israel did not have the slightest idea that there were refugees in the UN base. "I think it was a scandal," he added, "that they were permitted into the camp without [the UN] letting us know about it."

The Security Council meeting broke up with no agreement yesterday and will resume this morning to consider a resolution drafted by Lebanon which criticises Israel and demands compensation. "I think it will be ugly," said a senior diplomat.

Edited text of report, page 9



Boutros Boutros-Ghali gave order to publish report

to Washington, the Israeli Foreign Minister, Ehud Barak, sought to discredit the report. "I don't know if this is exactly what the secretary-general meant but the whole idea is absurd," he said.

"They were insinuating guilt without being able to prove it," said Uri Dromi, an Israeli spokesman. "The fact that they couldn't establish categorically that it was intentional should have led them to present a factual report without laying the blame on our doorstep."

Israel yesterday showed

Mandela buries terrible past of a nation



President Nelson Mandela and Deputy President FW de Klerk greet crowds outside the South African parliament yesterday after the country's new constitution was approved, finalising 'the nation's rebirth from a horrible past'. Full report, page 8 Photograph: Reuters

Britain says whaling is immoral

NICHOLAS SCHÖN

The Government yesterday said it was morally opposed to any resumption of commercial whaling. It is the first time it has declared an entire order of animals to be totally off-limits for exploitation by humanity.

Even if whales can be humanely hunted without any threat to their populations, the UK will always oppose any slaughter of the huge marine mammals by other nations, said fisheries minister Tony Baldry.

The moratorium on commercial whaling is 10 years old this year, but two nations - Japan and Norway - continue to kill hundreds of minke whales every year in Antarctic waters and the North East Atlantic.

At next month's annual meeting of the International Whaling Commission in Aberdeen the two countries will be arguing that stocks have now recovered and management techniques improved to the point where commercial whaling is acceptable and the moratorium should be lifted.

For years, Britain's opposition had been based on the low state of the stocks following decades of over-exploitation, the cruelty of techniques such as explosive harpoons and electric lances, and defects in the management of whaling.

Whalers might soon be able to counter all those objections. But Britain will still vote against any resumption at IWC meetings. "Commercial whaling is

opposed by the vast majority of our citizens and by Parliament," said Mr Baldry.

His announcement follows a year long review involving the Ministry of Agriculture and Fisheries (MAFF), the Foreign Office and the Department of the Environment.

"We've decided to make our stance more explicit," said a MAFF official. But the ministry had no explanation of what makes whales so special. Its change of policy is based on public and cross-party opinion.

The United States, New Zealand and Australia have made similar declarations in recent years. Yesterday wildlife groups were surprised and delighted. James Martin-Jones of the Worldwide Fund for Nature

said: "It's a dramatic development and a very welcome one." But the original aims of the commission and the treaty underpinning it remain in force. Any change to these would require unanimity.

Britain's announcement increases pressure on Japan and Norway to withdraw from the commission. But if they did they would face international opprobrium, and the risk of trade sanctions from the US.

Scott: Government twisted my words

CHRIS BLACKHURST
Westminster Correspondent

Sir Richard Scott yesterday accused the Government of "distortion" in the press pack it produced to head-off criticism after the report into the arms-Iraq affair was published.

In his only appearance before MPs to answer their questions on his mammoth report published two months ago, Sir Richard gave the Commons Public Service Select Committee a damning critique of min-

isters' response to his report. He also startled the committee by claiming his assistant, Christopher Muttukumaru, a civil servant, had been threatened that his career might suffer if he continued to help the judge. He refused to go into details.

In a series of answers to Dr Tony Wright, the Labour MP, he gave a completely contradictory view of his findings from that of the media briefing. He was asked: "Did something constitutionally improper happen?"

Sir Richard replied, forcefully: "Yes."

Dr Wright asked: "Did ministers behave in a way they shouldn't have behaved?" Sir Richard again replied "Yes".

The senior judge was asked: "Was Parliament denied information constitutionally it ought to have had?" Again, the answer was in the affirmative.

Finally, he was asked if the Cabinet Office press hand-out claiming ministers were found by his report to have given accurate descriptions of policy on

arms sales to Iran and Iraq was accurate? Sir Richard replied: "I don't think so, no."

Opposition MPs reacted angrily to the press pack, which in the absence of a summary from Sir Richard acted as an easy-to-read guide for many commentators, claiming it was misrepresentative. Yesterday, their view was upheld by Sir Richard.

During this evidence, Sir Richard lifted the veil on the hostility he and his colleagues faced from the rest of Whitehall. He refused to reveal who had

made the threat to Mr Muttukumaru but said it came from "a senior person". Sir Richard had mentioned it in a letter to Ian Lang, the President of the Board of Trade, accompanying his report. "Those concerned knew to what I was referring," he said. "I am not prepared to go into it in public."

He added: "It was satisfactorily dealt with - my concerns were laid to rest." The threat, said Sir Richard, was that "Christopher Muttukumaru's career might suffer from the as-

sistance he was giving me." The judge refused to agree with Opposition claims that the fall-out from his report had been disappointing. He had, he said, not been expecting any ministerial heads to have rolled. Resignations, he said, arose from a build-up of political pressure not from actions within government.

While he accepted the press pack had been a distortion, he was satisfied with the Commons debate on his report.

TURN TO PAGE 2

Creche takes grannies back to childhood

GLENDIA COOPER



Britain's first ever "granny creche", where people can leave elderly relatives, is due to open in Oxford this summer.

Employees of the Radcliffe Hospital NHS Trust can leave grandparents in a "stimulating environment" with art classes, cookery, memory strategies and indoor hockey. There will also be outings to Blenheim Palace, shopping centres and pubs. The trust is running a pilot scheme with 20 places in an adapted day unit staffed by nurses and occupational therapists.

When the idea was first suggested by the occupational de-

partment it was "greeted with delight" by carers and their relatives, said Mike Fleming, the director of personnel. "Besides the advantages of proximity [to each other] they will be in a hospital with nursing care and no worries about special feeds or dressings," he said.

The pilot scheme, emphasising "dignity and quality of life", is free and will run from 8.30am to 5.30pm, Monday to Friday, but it is hoped it will be extended to 8am to 8pm, seven days a week. If it is made permanent, fees of about £2 an hour will be charged.

Lynch Mason, the occupational therapy services manag-

er, said there would be no lower age limit for the service. It will be open for "anyone who feels comfortable and wants to go". Activities will be tailored to individuals: "We'll cater for people's interests whether that is art, sculpture, adult literacy or doing the crossword."

"Cookery groups are extremely popular and the elderly person could take a meal home in the evening so they feel they are contributing something to the family," added Miss Mason.

At the moment there are almost 11 million people of pensionable age in Britain. That figure is expected to rise to al-

most 17 million within the next 35 years.

Terry Philpot editor of *Community Care* magazine said: "Any initiative which provides high standards of care for elderly people and takes the pressure off carers should be welcomed. We are ill-prepared for the coming population explosion among elderly people."

Charities representing pensioners expressed reservations. A spokeswoman for Help The Aged said: "We welcome initiatives to set up 'granny creches' but they must be active places providing a stimulating environment, not just dumping grounds for elderly relatives."

IN BRIEF

Work is bad for you

Ill-health caused, or exacerbated by, working conditions and environments costs 13 million working days a year and affects one in every eleven employees, employers were warned yesterday. Page 4

Today's weather

Dry and bright but windy in the South. Section Two, page 29



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news

Rustle in the overgrowth as Redwood snakes out

What a long game John Redwood is playing. Yesterday, for no very obvious reason, he held a press conference to launch a booklet containing nine months' worth of his own speeches and articles. Since his resignation from the Cabinet last summer Mr Redwood has not actually been able to do anything, just talk about it. So, naturally, the pamphlet is entitled "Action Not Words".



DAVID AARONOVITCH

didn't make the call to his own arms. Remarkably, for limbs belonging to a convicted politician, Mr Redwood's arms refuse to join in his various crusades. No matter how the sentiments being uttered by the mouth cry out for supporting gesticulations, the arms

remain rigid against Mr Redwood's bony flanks, or crossed tightly over his ungenerous midriff.

Not that the mouth is that keen either. Competing against the prehensile upper lip of the Prime Minister, the expressive pout of Mr Portillo, or the alternating "grim and grin" of Tony Blair, Mr Redwood's gob seems thin and expressionless. Every now and again a small pink tongue will dart out and refresh the lips with a quick lick.

But the brain is there, and that is what matters. It has a strategy too, this brain, and having the corporeal Redwood pop up shortly after yet another

catastrophic election defeat for his party is a part of it. With the nation's press and a number of backbenchers in attendance (Messrs Brazier, Gill, "Buzz-saw" Arnold and Riddick) Redwood can remind the world of his blameworthiness for the massacre and of all the "friendly advice" given to the Prime Minister on a range of topics - and (though he does not say it) shunned. And when the Final Defeat comes, and Majorism and all its works are swept aside, to whom shall the devastated party then turn?

If all this sounds vaguely familiar to you, the chances are that you are either a parent of

small children, or a small child yourself. And you will recall that, in Disney's version of the *Jungle Book*, one animal patiently tracks Mowgli through the forest, very nearly making a meal of the tiny hero. No, not Shere Khan - a Portillo-like magnificent blunderer - but Kaa, the snake, whose lack of arms and flickering tongue make him a dead ringer for the former Welsh secretary, both physically and metaphorically.

Like the cartoon serpent, Redwood invites his prey to sit amongst his coils and to listen to that special, hypnotic song, "trust in meeee, just in meeee".

Kaa would have cut taxes by now - and there is still time! Kaa would have not one, but two referenda on Europe - it is not too late! Action, not words!

And there is another similarity, for - also like Kaa - Redwood somehow contrives to be omnipresent. Is there a clearing where a couple of disgruntled Tories are discussing divorce? Listen for the rustle in the overgrowth, and watch as a Redwood coil lowers itself from the banyan above. Are *Daily Mail* leader writers fulminating about education? A slight slithering sound, and one little eye appears, unblinking, from behind a nearby creeper. On

health, defence, the elderly, law and order, the family, whatever - the whole schtick - Kaa has been moving sinuously, softly hissing to anyone who will listen, "passit! Want a policy?"

And many do. The old story has it that there once was a tribe of 3ft pigmies - the Fekawe - who inhabited a land of 4ft-tall grasses. All day long they would dash around blindly, growing ever more exhausted, defiantly yelling: "We're the Fekawe!". How unnecessary. Today's Fekawe - Britain's bewildered and bleeding Conservatives - have only to ask Kaa. He knows. He will lead them.

Hamilton role 'close to paid advocacy'

CHRIS BLACKHURST and JOHN RENTOUL

A former Conservative minister is being paid by private firms specifically to approach ministers on their behalf about possible Government contracts and to book House of Commons dining rooms for corporate entertainment.

The description of Sir Archie Hamilton's role, spelt out in letters from, amongst others, City investment bank Merrill Lynch and WS Atkins, a firm of consultant engineers, seems to come close to "paid advocacy", which was categorically banned under the new Commons rules voted in last November.

Under the new, post-Nolan rules, MPs must make publicly available any consultancy agreements relating to their work at Parliament. Sir Archie's agreements provide a rare insight into what MPs do for their money. A study of their contracts by the *Independent* shows that Sir Archie, the MP for Epsom and Ewell, has been the most forthright in setting out his duties. Unlike Sir Archie, most of the others contain generalities and have made a point of excluding paid advocacy.

Sir Archie, a former defence and transport minister, receives £12,000 a year from Merrill Lynch, the giant US bank which is handling the overseas sale of shares in the Railtrack privatisation and has submitted a bid for surplus armed forces housing stock.

A letter from the bank to Sir Archie, a member of the executive of the Conservative 1992 Committee, has been placed on file at the Commons. Dated 29 March, it states: "We expect you to identify commercial opportunities for the company, sometimes these may be in the field of Private Finance Initiatives but also other opportunities that you may find."

The letter continues: "We

may from time to time, ask you to approach ministers and other MPs on our behalf to extend invitations to them and to influence the formation of policy."

In another letter, from WS Atkins, Mr Hamilton is told: "We look to you for help and advice in methods of approaching ministers for the purpose of discussing policy in areas such as the Private Finance Initiative."

The Conservative Party's embarrassment over the publication this week of the new register under the more stringent rules is further increased by evidence that some Tory MPs have reclassified their clients in what would appear to be an attempt to avoid declaring fees.

Nirj Deva, the MP for Brentford and Isleworth and a parliamentary private secretary to the Scottish Office, has changed the category under which he declares his consultancy work for three large companies.

In last year's Register, he disclosed that he was a consultant to Rothmans, the cigarette company, Laing, the builders, and KHD, the power station equipment company, in his capacity as an MP.

But this year, he names the same companies under "remunerated employment", claiming that he does not have to declare his fees because, in effect, they would employ him whether or not he were an MP.

In the 1995 Register, they are classified as clients for whom he "provides services which depend essentially upon or arise out of membership of the House of Commons". Mr Deva said yesterday that he had acted for the companies before he became an MP in 1992, and that he had never been employed in his capacity as an MP.

Sir Archie was not available for comment yesterday.

Andrew Marr, page 15



Feeling the strain: Paul Grecian talks of his extradition ordeal at yesterday's Westminster press conference

Photograph: Dillon Bryden

Grecian seeking compensation over his arms-to-Iraq ordeal

CHRIS BLACKHURST Westminster Correspondent

Paul Grecian, the businessman who successfully fought attempts by the US to extradite him on arms-to-Iraq charges, is planning to bring claims for compensation against Customs and Excise and the American authorities.

Immediately upon his return to Britain from South Africa, where he has spent five months fighting attempts by the US to extradite him, Mr Grecian said he would now be turning his attention to the Sir Richard Scott's arms-to-Iraq report and its comments about his case.

Along with two colleagues from his former high-tech engineering firm, Ordtech, Mr Grecian was convicted at Reading Crown Court in 1992 of supplying a fuse assembly line to Iraq.

The men subsequently appealed and their convictions were quashed in December last year because the Government had withheld vital defence evidence from their trial.

As soon as he won the appeal, Mr Grecian flew to Johannesburg with his South African fiancée, only to be arrested to face similar charges brought in

the US. Last week, the US charges were thrown out by a South African court and described as "unacceptable".

Yesterday, looking tired and drawn, Mr Grecian said that he had expected to be in jail for the remainder of the year resisting extradition.

Now that he was free, he would be studying the Scott report - which was highly critical of his original prosecution brought by Customs and Excise.

Mr Grecian accused the US and South African authorities of "not having acted with great faith". Before leaving for South Africa, he was assured it was safe for him to travel. The US prosecution, he claimed, had been motivated by spite.

Joining him at a Westminster press conference, Mrs Chwyd said that it was time for the Government "to make amends for the many years that Paul Grecian has lost and been branded a criminal in a situation involving a government cover-up".

Mr Grecian said he now hoped to get back on his feet commercially and start up in business again.

He had harsh words for the refusal by the Government to detail arms deals which were backed by export credits using public money. The public, he said, had a right to know what its money was being spent on.

was the right of lawyers to cross-examine other witnesses.

Attacks on the inquiry from Lord Howe, the former Foreign Secretary, were described as "profoundly misguided".

He proposed the creation of a new watchdog, to advise Parliament on whether ministers were properly claiming public interest as a reason for not answering MPs' questions.

Sir Richard also wanted fuller information to be made available about arms sales.

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Scott report words 'were twisted'

FROM PAGE 1

There would be little, he said, he would do differently again.

Criticism that witnesses were not allowed legal representation was misplaced. They had "all the legal advice they wished", he said. They had legal assistance throughout at public expense. The only thing they did not have

was the right of lawyers to cross-examine other witnesses.

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Tory civil war reignites

COLIN BROWN Chief Political Correspondent

Civil war erupted in the Tory party over Europe again last night, as John Redwood disclosed he is seeking to broker a deal between the Government and Sir James Goldsmith, the international financier, over a referendum.

In a bid to end the threat to Tory seats at the general election by the Referendum Party, Mr Redwood said he would discuss with Malcolm Rifkind, the Foreign Secretary, his plans for a referendum on Europe to be held on the same day as the general election.

Mr Redwood's pressure for a referendum came as the divisions in the Tory party were exposed again over the European issue with Edwina Currie, the pro-Euro Tory MP, attacking demands by Theresa Gorman and Euro-sceptic colleagues as "completely lunatic".

David Howell, leader of the One Nation group of Tory MPs, warned colleagues they had "lost the power of argument and found only the power of abuse". Lord Parkinson said the Euro-rebels were only damaging the Tory party's prospects.

Disclosing that the One Nation group would publish its own

manifesto bids within days, Mr Howell condemned as "deplorable" Euro-sceptics who were "calling themselves Conservatives but unable to conduct themselves as such".

Labour last night announced it would seek to exploit the Tory splits by forcing a vote next week on the Common Agricultural Policy in an annual debate, on which there is normally no division.

John Prescott, the Labour deputy leader, said: "John Major is trying to control the uncontrollable. It is difficult not to feel sorry for him. Attacked from left and right, ignored by everyone."

Partial beef ban reprieve likely

SARAH HELM Brussels and COLIN BROWN

The chance of a slight easing of the worldwide ban on British beef increased yesterday when the European Commission said it would make proposals to modify the ban next week.

Downing Street disclosed that John Major had told the European Commission President, Jacques Santer, that Britain would seek an emergency summit over the beef crisis, if no progress was made. But after the easing of the ban, the Prime Minister's office was playing down that prospect.

Ministers were relieved that they had brokered the first signs of progress through careful negotiation, and privately said that the "Euro-bashing" by Euro-sceptic Tory MPs and sections of the British press had set back Britain's case, and had cost millions of pounds in lost business in the beef industry.

Franz Fischler, the agriculture commissioner, is to recommend to member states that gelatine, tallow and semen be excluded from the ban.

However, officials in Brussels were quick to caution against any expectation that the move could signal an early lifting of the ban itself.

The decision on whether to ease the ban will be made at a special meeting next week of the standing veterinary committee, consisting of veterinary experts from each member state.

Douglas Hoag, the Agriculture Minister, said the council of ministers was reluctant to lift the ban because it was concerned about political opinion in members' home countries. Asked about a possible summit, he said: "Let's see what develops. I am anxious to see progress at the standing veterinary committee."

A qualified majority will be necessary if the change is to be agreed. Germany indicated

immediately yesterday that it was to oppose the Commission's new proposal. However, German opposition alone will not be enough to block a vote to ease the ban.

The Commission is understood to have decided yesterday to make the proposal next week in the belief that there will be enough votes on the committee for it to pass.

However, France is still said to be considering its position, in view of the continuing slump in beef sales across the country. Sources in Bonn made clear that much more is expected of Britain if consumer confidence in Germany is to be reassured. Politically it remains impossible for the German authorities to be seen to be supporting any easing of the ban, German sources said.

Even the lifting of the ban on gelatine, tallow and semen would only be carried out once Britain had agreed to a series of strict measures governing the production of these substances.

It has been made clear to Britain that if it hopes to win any further concession from the Commission and other member states it must speed up its proposed slaughter programme and produce new proof that control measures are firmly in place to ensure no infected meat could enter the food chain.

IN BRIEF

Inquiry call over soldier's suicide

Gulf war veterans demanded a public inquiry yesterday after a former soldier with post-traumatic stress disorder killed himself in his jail cell. John Callaghan, 28, of St Helens, was found hanging from a mouse made from his trainer laces in the hospital wing at Strangeways Prison, Manchester.

The former Gulf soldier with the Royal Electrical and Mechanical Engineers had served less than a month of a two-year sentence for drugs offences. Major Ian Hill of the Gulf War Veterans' Association said he had been diagnosed by consultant psychiatrists at his trial as suffering from PTSD and the authorities had been warned he was a suicide risk.

Flight challenge

Three Britons left for a pioneering 16,000-mile flight around Africa in a light plane. Marketing executive Lord Edward Manners, banker Johnny Beveridge and photographer Dan Stevens hope to be the first to circumnavigate the continent in a single-engine aircraft. They left Oxford airport in their Cessna for Tangier, where the challenge will begin.

Girls found safe

Two teenage girls who vanished from their boarding school eight days ago were found safe in northern Scotland. Kirsty Ann Boyd and Aileen McGhie, both aged 15, turned up in Inverness, 300 miles from Lomond School near Helensburgh, Dunbartonshire. "Both are safe and well and will be reunited with their parents," a police spokeswoman said.

Ostrich case delay

An attempt to wind up the Ostrich Farming Corporation, which has attracted thousands of investors, was adjourned in the High Court and is expected to be heard before August. The Department of Trade and Industry issued the petition against the company, which is being investigated by the Serious Fraud Office after taking millions of pounds by claiming it can provide annual returns of 51.6 per cent on investments.

Darwin home sold

The house where Charles Darwin wrote *The Origin of Species* has been bought by English Heritage. The Lottery Fund awarded £1.783m for the restoration of Down House near Biggin Hill, Kent, his home for 40 years until his death in 1882. Darwin wrote his treatise on the survival of the fittest in the study of the house, which also contains his papers and some of his equipment.

E-cash is a winner

An electronic replacement for cash has been declared a success after a pilot scheme attracted more than 10,000 users. The two-year trial of Mondex, which stores and transfers money by smartcard, began in Swindon, Wiltshire last July. New figures show a 21 per cent take-up among customers of NatWest and Midland banks, which developed the system with BT. If the same response was achieved nationally there would be 2.5m Mondex users.

Appeal to mother

Police appealed to a mother who abandoned her two-hour-old baby in a hospital laundry trolley to come forward. The baby girl has been named Rosie after Italian nurse Naomi Rosanally, who found her early on Tuesday wrapped in a pink baby blanket outside a geriatric ward in the grounds of Whips Cross Hospital, Leytonstone, east London. A hospital spokesman said: "She is a beautiful baby with blonde hair and lovely blue eyes. All the nurses are absolutely doting on her."

A signal event

One of the last communities in Britain without television is to hold a festival devoted to the arts and crafts which flourish in its absence. The 102 villages of Thixendale, deep in a valley in the Yorkshire Wolds where reception is impossible, will celebrate pottery, tile-making, local history, music, art and woodwork. The aim is to raise £10,000 - to beam a television signal into the village.

THE INDEPENDENT ABROAD

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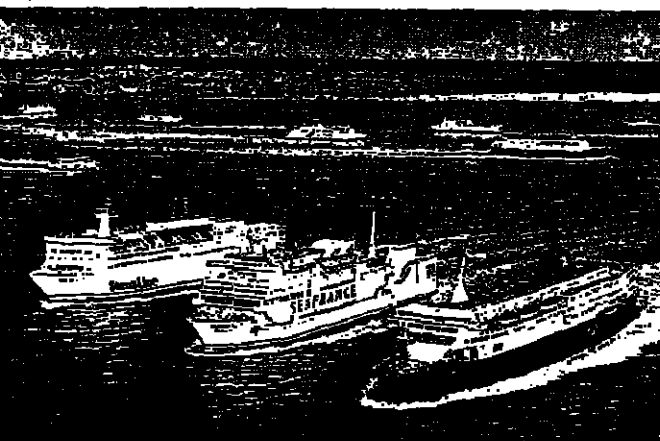
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Sainsbury in loyalty card U-turn

NIGEL COPE

Sainsbury's is to follow Tesco and Safeway with the launch of a nationwide loyalty card in a bid to revive its flagging fortunes and declining market share.

The decision marks a U-turn by the company, whose chairman David Sainsbury dismissed loyalty cards as "electronic Green Shield stamps" when Tesco launched its Clubcard scheme a year ago. The card now has more than 5 million members and has helped Tesco replace Sainsbury as Britain's largest supermarket chain.

Sainsbury's announced the plans yesterday along with its financial results for last year which showed that profits fell for the first time in its 22 years on the stock market. Profits fell from £809m to £712m and its sales increases are continuing to lag behind arch rival Tesco and the much-improved Asda.

The latest market share figures show Tesco pulling further

Advertising is an "absolutely vital" weapon in the battle for customer loyalty currently being waged among Britain's supermarket giants. Stefano Hatfield, editor of the advertising industry magazine *Campaign*, assesses their efforts.

SAINSBURY'S

Slogan - "Everyone's Favourite Ingredient".
"Good Food Costs Less".
Stars include Lauren Bacall and Ian McKellen.
"The celebrity recipe campaign worked in that sales of the items mentioned rose, but it also had the same effect in rival stores. It was very classy done and if there is a criticism, it is that it reinforced the middle-class image when people were looking for value-for-money."

ahead with a UK share of 21.2 per cent, compared to Sainsbury's 18.5 per cent.

The discount card will be launched in the next two months but the company has not yet released any details on how it will operate. It is also planning a Sainsbury's credit card and other financial services which could include deposit

TESCO

Slogan - "Every Little Helps".
Stars - Prunella Scales and Jane Horrocks.
"Since the Dudley Moore campaign, Tesco has really led the way. It managed to change from its 'pile it high, sell it cheap' image to a company with quality connotations, which it had previously lacked. 'Every Little Helps' is the campaign that has set the agenda. And of course the Clubcard has been very successful."

accounts, pensions and Personal Equity Plans. Budgets launched its own Visa card earlier this year and Tesco is working with NatWest Bank on the launch of a branded credit card and deposit account.

The card war is the latest in a string of initiatives that the supermarket groups are using in an increasingly bitter battle for

SAFEWAY

Slogan - "Lightening the Load". Stars - "Harry" the wiseacre toddler.
"Safeway has come from absolutely nowhere with Harry. He is everybody's favourite little boy. The British public love all things sentimental, schmaltzy and cute. I have to admit, I cannot remember much about the advertisement except that Harry is in it. But it is definitely working, especially in targeting young couples."

market share. However, analysts feel Sainsbury's may be too late to reap the benefits of a new card. Tony Marchant, food retail analyst at NatWest Securities, said: "Coming third behind Tesco and Safeway, one has to wonder how much bang for their buck they are going to get."

The company blamed the slump on a more competitive re-

ASDA

Slogan - "Pocket the Difference". Stars - None.
"It's all about price at Asda and the pat on the bum. It's OK, but it's what I would call annoyingly memorable. It's one of those ads which is so bad that it becomes impossible not to watch. And there's that annoying little jingle too. The use of northern accents on some adverts is also intended to convey value for money."

tail environment, the cost of price-cutting campaigns and lower store openings. Other costs have included trading losses of £10m at Texas Homecare, the DIY chain that Sainsbury's bought last year. The BSE scare on beef will cost the company a further £8m this year on marked down stock and supplier support. Beef sales

are now up to 70 per cent of their level before the scare.

Mr Sainsbury admitted that the figures were a disappointment. "We don't think it has been a satisfactory performance and we haven't done as well as we should. We have lost the marketing battle." He pledged to be "more aggressive" with a combination of price campaigns and customer service measures.

Mr Sainsbury denied that the launch of a nationwide loyalty card represented a personal climb-down. "We've never been against loyalty cards in principle. What we were concerned about is that any card should offer real benefits to customers. We think we have found a way to do that."

Sainsbury's has been operating a Saver Card in some stores since 1992. Its Homebase loyalty card has more than 5 million members.

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Profits slump, page 16
Comment, page 17



Heavy duty: Shire horses in Hyde Park, London, yesterday. Used for labour in the royal parks until made redundant by the petrol engine in the 1950s, heavy horses are now to return to active duty - for harrowing, haymaking and haulage
Photograph: Edward Webb

Doctor named boy's sex killer to police

MICHAEL STREETER

A leading psychiatrist put aside patient confidentiality to tell police he suspected a man of the murder of nine-year-old Daniel Handley, the Old Bailey heard yesterday.

The expert on child sexual abuse - identified only as Dr B - said he had "no hesitation" in informing detectives about the sexual fantasies of Timothy Morris after being told by his wife of a BBC TV *Crimewatch* programme on Daniel's murder.

Asked by John Bevan, prosecuting, if he had agonised with his conscience over the decision, the doctor replied: "On the matter of the murder of a child and child protection there was no hesitation on my part." The man he named, Morris 33, and co-defendant Brett Tyler, 30, admits abducting and sexually assaulting Daniel, but denies murdering him on 2 October 1994.

Dr B, said to be national expert on child sexual abuse, told the jury that Morris had become his client after a recommendation by Morris's friend and later lover David Guttridge, 59. Morris and Tyler were in Wormwood Scrubs prison at the time, serving sentences for sexual offences.

Morris, who was more curious than a willing participant in sessions, had described to Dr B his fantasy of abducting and murdering a pre-pubescent boy aged 8 to 13. The boy had to have blond hair and blue eyes.

"He was very specific about that," said Dr B. "The fantasy was to find a boy, a small boy with blond hair and blue eyes, take him in a van, abduct him, bugger him and then kill him and dispose of the body."

A month later, on 19 May 1995, Dr B was told of the *Crimewatch* programme on the murder of Daniel, whose body had been found buried in woods near Bradley Stoke, Bristol. He was "sufficiently concerned" to contact police and later heard from another psychiatrist, who was treating Guttridge, that Guttridge and Morris might be trying to leave the country.

Under cross-examination from Rock Jansy, QC, for Tyler, Dr B agreed Morris had a powerful, sadistic and enjoyed shocking people with his fantasies. He had been emotionally cold while describing his "violent paedophilic fantasies".

Earlier, Mr Guttridge who awaits sentencing for perverting the course of justice after paying for Morris to flee to the Philippines, described how he had "hated Tyler's guts".

He believed Tyler was winding up Morris, who believed sex was about vengeance and revenge, over his love for young boys. But he agreed that while Morris was capable of killing a child, he did not believe Tyler could. Guttridge, who had also been in Wormwood Scrubs, told the jury that Morris confessed to him about the killing after Daniel's body was found, but he "could not or would not" believe it of a man he had lived with and loved.

Morris and Tyler are said to have abducted Daniel close to his home in Beckton, east London, taken him to a flat where they videoed having sex with him, and then strangled and buried the boy near the home Morris shared with Guttridge. The case continues.

Open verdict recorded on meningitis boy's death

A coroner last night recorded an open verdict into the death of a 15-year-old boy who was allegedly refused life-saving treatment at a cash-starved hospital and later died from a meningitis-related disease.

The Birmingham inquest heard that 6ft 6in tall basketball player James Hocoom, of Solihull, West Midlands, was taken to the town's hospital by his parents late on 14 October last year.

His father, Bill, a company director, said that James was a strong, healthy young man, but had been apparently suffering from flu after an outbreak at Solihull Boys' School which had affected several classmates.

He was seen by his GP but his condition deteriorated and meningitis was suspected by the family. When they arrived at Solihull Hospital, Mr Hocoom said he pleaded with a doctor to administer life-saving penicillin, but was told that because of his age James was a paediatric case.

Solihull Hospital had closed its children's ward last July before controversial plans to merge Solihull and Heartlands Hospital in Birmingham were announced and £7m cuts ordered at Solihull.

Doctor Nuria Gonzales, the senior house officer who examined James at Solihull, said the policy was to transfer paediatric patients to Heartlands which was 10 miles away. James was transferred two hours after arriving at Solihull, but despite the efforts of medical staff he died after a collapse at 4.30am.

The coroner, Dr Richard Whittington, said he could find no evidence that the delay in administering antibiotics had directly caused James's death, and that he died as a result of a natural disease.

Parents told to raise money to save teachers from sack

Parents have been forced to dip into their own pockets to prevent two teachers being axed at their children's school.

Governors at Hagley Middle School, in Hereford and Worcester, sent a letter to parents of the 510 pupils asking them to make a voluntary donation of £40 per child to save the teaching posts.

The letter from the governors' chairman, James Cowlishaw, said the school needed £25,000 to avoid making compulsory redundancies. The scheme proved successful.

Parents have now received a second letter from the governors saying the redundancy programme has been cancelled.

The governors' original letter a fortnight ago said: "Commitment by 100 per cent of parents is essential for the proposals to proceed and an

IMMEDIATE response is of paramount importance."

The letter warned redundancy notices would be issued by half-term on 24 May unless the governors were certain funding would be available to meet the school's running costs.

Parents were told to pay the £40-per-child donation in three instalments, starting this term. Those in genuine hardship were advised to contact the head.

Mr Cowlishaw, who "will master, Colin Millett, who will give sympathetic consideration to your personal circumstances, in strict confidence".

Governors first sounded out parents about the idea at a meeting to discuss the school's financial crisis a month ago. The school, whose motto is "Quality Education through A Caring Partnership", was founded in the mid-Seventies and has

27 full- and part-time teachers.

During the past three years governors had used up the school's £50,000 reserve to maintain staff levels on a reduced budget.

In the second letter from the governors, which parents received this week, Mr Cowlishaw and Mr Millett said parental contributions and other savings had enabled the school to produce a balanced budget. "The redundancy programme has, therefore, been cancelled".

Hereford and Worcester's education budget this year is £227m, which is used to teach more than 100,000 pupils. The county's principal education officer, Dr Eddie Oram, claimed in real terms the authority received £12m less from the Government than three years ago, although pupil num-

bers had risen by almost 4,000 over the same period.

"We are one of the lowest funded counties in England and Wales and we just don't have the resources to give schools the amount of money they had three years ago," he said. "Hagley decided this was a realistic way forward and the idea met with a positive response."

The issue has divided parents in the middle-class village, near Kidderminster.

"I'm appalled to be honest," said a senior hospital biochemist, Steve Harper, who has one son at the school.

"We will pay it but it seems a bit of a cheek on top of all the other bills." Another parent, Jane Tandy, said: "I feel we were slightly blackmailed but we had to do it."

Free schooling a thing of the past

State education is no longer always free. The jumble sale and the summer fair, which used to provide the icing on the school cake, are now providing the staple fare.

In the last three years, the money raised by parents to fund school books and equipment has more than doubled. In 1992, the National Confederation of Parent Teacher Associations estimated that around £55m was raised each year through parents' efforts. Last year they reckoned that the figure had reached £110m.

As the squeeze on school funding has intensified, parents have turned to fund-raising not just to provide extra library books and computers but to build new toilet blocks and to pay for teachers. Many

schools now have to ask parents for contributions towards essential equipment. The principle that fund-raising should be for non-essential purposes has been largely abandoned.

Hagley Middle School is not the first to resort to parental contributions to fund teachers. Last year parents at a primary school near Northampton were told they must pay £1 a week for each of their children or see a teacher made redundant. At Welford and Sulby village school, parents were asked to make voluntary contributions towards the cost of lunch-time supervision. As early as 1992, two schools announced that

they were leaving parents to pay teachers. St Paul's school in Dorking, Surrey, asked for a £30 levy and Avenue primary school in Sutton, Surrey, £100.

Funding teachers remains highly controversial. Parents and governors are resigned to paying for books, furniture, mini-buses and computers but most are still reluctant to commit themselves to supporting a teacher. In part this is a wish to avoid recurrent spending in uncertain times: some teachers were paid for in this way have been made redundant after a year.

It is also an objection to paying for items which most schools believe should be supplied centrally. Governors argue that too much fund-raising will reinforce the divisions between schools with affluent parents

and those in poor areas. They argue that it introduces fee-paying by the back door.

Some schools are employing professional fund-raisers to bring in anything from £50,000 to £500,000. One comprehensive in Lancashire raised £155,000 towards a sports hall. Parents were asked to make covenants to the school.

Ministers have not condoned parental fund-raising for teachers but have made plain their wish to encourage schools to attract money from the private sector.

Figures released this week by the EU show that Britain spends a lower percentage of its national wealth on education than any other European state.

Judith Judd

There's still time to apply. Completed application forms must be in by Noon on Wednesday 15 May. Prospectuses containing application forms are available from branches of The Royal Bank of Scotland and from main Post Offices.



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news

Sick workers take 13 million days off a year

LIZ HUNT
Health Editor

One in every 11 people suffers from ill-health caused, or exacerbated by, their working conditions and environment, employers were warned yesterday at the launch of the biggest health in the workplace initiative to date.

Each year at least 750,000 workers take 13 million days off because of work-related illness at a total cost to the taxpayer of around £4.5bn.

This includes compensation claims, loss of business due to bad publicity, and the need to retrain or recruit new staff, the Health and Safety Executive said.

Frank Davies, chairman of the Health and Safety Commission, acknowledged that its campaign could lead to more litigation by workers against their employers but that this could be "a good thing", he said. "Workers should draw matters to the attention of employers because everyone should be involved in the promotion of good health."

Sir John Harvey Jones, the former ICI chairman and now celebrity management guru, who features in the HSE campaign video, said it was a "crime" that any worker should suffer work-related illness.

A 1990 Labour Force Survey in England and Wales found that musculo-skeletal disorders - strains, sprains, back problems - were the most frequently reported problem with 600,000 cases; this was followed by stress/depression (100,000); deafness/other ear conditions (100,000); lower respiratory tract diseases (80,000 - one quarter of which were asthma);

and skin disease (55,000 cases).

One of the problems highlighted at the press launch in London yesterday, was the risk of asthma among bakery workers exposed daily to flour dust.

The HSE's £1.5m campaign, "Good Health is Good Business", will focus on small- and medium-sized enterprises with up to 200 employees, but will also involve GPs and other health professionals who can influence employers. A television advertising campaign begins tomorrow highlighting the dangers of vibration, dust, noise, repetitive movements, and handling of chemicals.

David Eves, deputy director general of the HSE, said it would not "hesitate in taking action" against employers who put their workforce at risk.

There had been 260 prosecutions under the 1988 Coshh (Control of substances hazardous to health) regulations, Mr Eves said, and the first custodial sentence had recently been imposed on the director of a company which had recklessly ignored safety advice while dismantling a building containing asbestos.

Ann Holgarth, a former nurse who was forced to give up work in 1990 because of a severe back injury, urged better education for employers and employees on how to avoid musculo-skeletal problems. Ms Holgarth fell on the ward but continued working. "Apart from my ill health, I suffered job bereavement - nursing was my profession and something that I had always wanted to do and that was taken away from me..."

For a free "Good Health is Good Business" campaign pack contact 0345 181819.

You can breathe it, but you can't see it: The dust cloud that may lurk in your workplace



An experiment to show the amount of invisible dust that can be present in a working atmosphere carried out yesterday to mark a Health and Safety Executive initiative on health at work. It warned employers would be prosecuted if they endangered staff. Photograph: Colin McKillop

'Yuppie flu' costs £2 billion

So-called "Yuppie Flu" could be costing Britain more than £2bn a year in lost working days and medical expenses, a report claimed yesterday. Urgent government action is needed to address the problem of Myalgic Encephalomyelitis (ME), also known as Chronic Fatigue Syndrome, said sufferers' charities.

A survey of 3,000 members of Action for ME and the ME Association showed that £700m was paid each year on disability and unemployment benefits to sufferers.

Another £600m was lost to the Government in national insurance and tax revenue, while £138m was spent on treatment and medical services. Up to £2bn in salaries, wages and other costs was taken out of the economy as a result of sufferers giving up work and being made redundant.

ME, characterised by extreme exhaustion and lethargy, is a controversial condition still frequently dismissed as a mental rather than a physical problem. About 150,000 people in Britain said to be affected by the illness, some sufferers wheelchair or bed bound for years.

The survey, published during International ME Awareness Week, showed that women with the condition outnumbered men by three to one, and 56 per cent of sufferers were aged between 35 and 54.

Tycoon admits 'stupid' affairs

Owen Oyston, the multi-millionaire accused of raping two teenage girls, yesterday admitted having a series of secret affairs with young models.

He told the jury at Liverpool Crown Court: "I owned Miss World at the time. If I wanted young beautiful women they weren't hard to find."

The 62-year-old tycoon told the ninth day of his trial that he had remarried his wife Vicky in 1988, six years after they were divorced. Helen Grindrod, QC, prosecuting, questioned him about six girls, all models, whom

he knew between 1989 and 1993. He admitted having a sexual relationship with four of them. "It wasn't excessive. It was no more than an average person. I realise now I have been pretty stupid. I didn't ever have to take advantage of any women. It wasn't necessary," said Mr Oyston, the chairman of Blackpool Football Club.

Mrs Grindrod said: "You were so used to having your own way you didn't bother to ask whether they consented or not?" Mr Oyston replied: "I have always had a great respect

for women. I have employed thousands of them. I have always promoted them within my own organisation. My character is totally without blemish."

Mr Oyston, of Cloughton Hall, near Lancaster, is alleged to have raped the first girl when she was 18 on his four-poster bed in his secluded mansion. The second girl, 16 at the time, claims she was forced to have oral sex in the back seat of a car and then watched Mr Oyston have sex with another girl before joining them on the bed, where she was raped. Mr

Oyston denies two rapes and a charge of indecent assault.

Mr Oyston claimed he had a long-standing affair with the first girl. He said he had spent thousands of pounds on her over the years and that she regularly stayed with him at the Hilton Hotel in London's Mayfair.

Earlier Mr Oyston, a life-long Labour supporter, repeated his claim that he was the victim of a long-running conspiracy by two former government ministers, Lord Blears and South Ribbles MP Robert Aitken. The case continues.

£1.8m spent on failed housing plan

JOHN RENTOUL
Political Correspondent

The Government has admitted £1.8m of taxpayers' money was spent in an unsuccessful campaign to persuade council tenants to transfer their homes to a housing association, at a cost of £12,000 for each vote cast in favour.

In the vote in August last year, the proposal by Torbay Council's Housing Association to take over property in Torquay, Paignton and Brixham, was defeated by a vote of 65 per cent

of the 2,000 tenants. Only 150 voted in favour.

Nick Raynsford, Labour's housing spokesman, yesterday wrote to Sir John Bourn, head of the National Audit Office, to ask him to investigate the "extravagant and ineffective use of public money". He made his demand after receiving a letter from David Curry, the housing minister. This revealed that a

parliamentary answer he gave four months ago contained an error, and understated the amount spent on the Torbay association by £500,000.

Mr Curry told Mr Raynsford a "clerical error" by the Housing Corporation, which channels public money to housing associations, meant "the wrong figures were added together".

"I can only apologise for this mistake. Obviously there was no intention whatsoever to mislead you, or the House, and I am taking the earliest opportunity to correct the figures."

Mr Raynsford demanded also to know why the Corporation's accounting system was "so inadequate that a mistake on this scale could occur".

The Torbay ballot was held under the "Tenants' Choice" legislation put through by the late Nicholas Ridley, Secretary of State for the Environment under Margaret Thatcher.

But the scheme has failed to "set tenants free" from council landlords. Fewer than 1,000 homes have been transferred after only five successful ballots. Only seven ballots were held under the legislation, of which Torbay was the largest, at a cost of £4.2m to the taxpayer. The Government is repealing the scheme in the Housing Bill.

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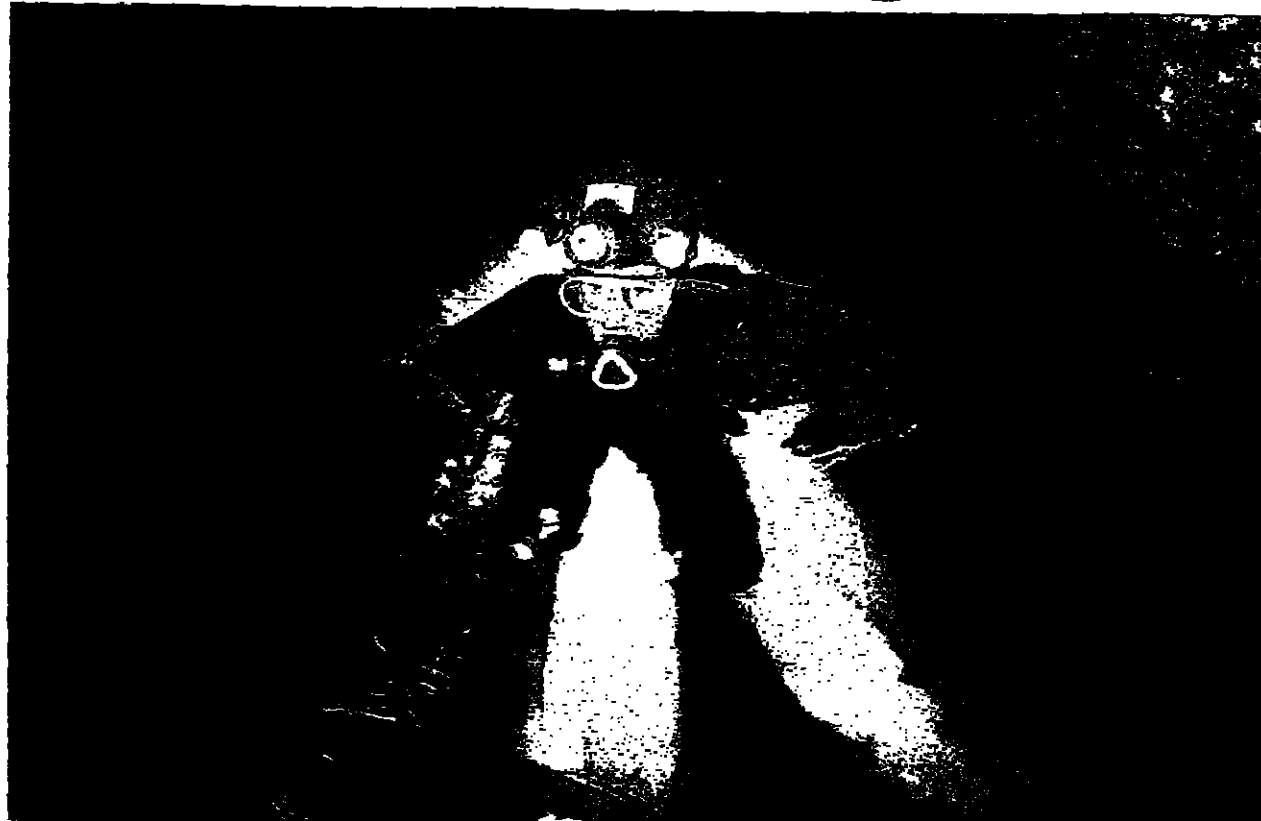
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Cave divers come up for air to celebrate 60 years of sport



Going under: Cave diver Mike Barnes in the modern garb of wetsuit and aqualung. Photograph: Christopher Jones

MICHAEL PRESTAGE

A celebration of 60 years of the sport of cave diving will take place in the caves where it all started - Wookey Hole in the River Axe, Somerset.

Next weekend will see more than 160 cave divers gather to mark the end of the 60th year since Graham Balcombe and Penelope Powell plunged into the river and also the 50th anniversary of the British Cave Diving Group, the world's first cave diving club.

Guest of honour at the celebrations will be Mr Balcombe, now 89, wearing the heavy and cumbersome diving equipment made for that first exploration of the underwater caverns at Wookey Hole in July 1935.

He said "It was very frightening and very exciting. We had practised for weeks. I went into the water with a great deal of trepidation. I was wired up by the BBC to give a commentary on what was happening and they all got very worried when they lost the link with me as to why I was affected by air bubbles."

He had been a keen rock climber and caver and it was an



Pioneers: Penelope Powell and Graham Balcombe on the first cave dive at Wookey Hole, Somerset, in 1935

obvious progression to want to explore the caverns hidden beneath the Mendip hills.

"When we eventually surfaced we found caverns the

size of a cathedral, which today have been opened up by means of a tunnel so that visitors can walk through them," he said. Equipment used in the orig-

inal dives was far removed from the wetsuit and aqualung divers used today. A long tube delivered air from a large pump into the massive brass helmet. The divers wore a canvas and rubber suit and boots with lead weights to prevent them rising to the surface.

"I envy the divers of today and the wonderful equipment they have, although it is still an exciting and tricky operation," said Mr Balcombe. "There are still large caves at Wookey Hole that are the preserve of the cave divers."

The original dive was from chamber three. Current exploration has reached chamber 25 where there is a sump over 70 metres deep. Robert Parker, a diver, currently holds the world record depth for cave diving in that sump with a dive in 1985.

Martin Grass, spokesman for the British Cave Diving Group, said: "Wookey Hole has always been the mecca for British cave divers, and has often been the site for pushing the frontiers of the sport, whether through the use of new technical equipment or human endurance."

Mother gets 5 years for killing girl

A mother who killed one of her daughters and poisoned another while suffering severe personality problems was jailed for five years yesterday by a judge who said he did so "with a heavy heart" because no other course was available to him.

Celia Beckett was convicted at Nottingham Crown Court last October of poisoning daughter Tracey, four. She was also found guilty of an earlier attempt to poison Tracey and administering anti-depressant tablets to another daughter, Debbie. She had admitted cruelty.

Mr Justice Garland, sitting at the High Court, yesterday sentenced Beckett to five years for manslaughter, five years for administering a noxious substance to Tracey, four years for administering a noxious substance to Debbie, and six months for wilful neglect, all to run concurrently.

The judge said that he was unable to make an order under the Mental Health Act because Beckett was not diagnosed as mentally ill. "I don't see probation as a viable alternative simply because the offences are so serious. What I do with a heavy heart is to impose a period of imprisonment," he said.

Oliver Blunt, for the defence, said Beckett felt re-

morse. "She appears to be sentenced by your lordship as a useless, incompetent and negligent mother." Mr Blunt said several doctors had examined her, one finding she suffered from a psychiatric disorder and the others that she had severe personality problems.

At her trial, Beckett, 35, of Newark, Nottinghamshire, said she had pleaded with social workers for help but was refused. Nigel Ruffitt QC, for the prosecution, had accused social workers of serious errors of judgement for allowing Tracey back into the care of a mother who had fed her an overdose of anti-depressant tablets. Three weeks later Tracey died of another overdose.

The police have admitted mistakes in their investigation. The case came to light only after Tracey's body had been exhumed in 1994, eight years after her death. The remains of her sister Clare, who died aged seven after a mysterious brain injury, were also removed.

Later, Beckett's ex-husband criticised the five-year jail sentence for the woman who poisoned their two "little angel" daughters. Thomas Butler, 41, said: "She should have been locked up for life and the key thrown away."

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news

Children at risk 'must have more say in decisions'

REBECCA FOWLER

A report on the treatment of the nation's most vulnerable children, at risk from abuse or neglect, has called for young people to have a wider role in the decisions over what happens to them, and for courts and social services to take their views into account.

Highlighting inadequacies in the training of professionals dealing with children, the report by the Institute of Public Policy Research, a left-wing think tank, also calls for a national review of the way in which allegations of abuse against children are investigated.

According to the report published yesterday, which coincides with the Independent's campaign to improve the system for children in care, their views have been ignored and many felt they would not be believed. They were also concerned there were no individuals they could trust to represent their views.

Gillian Schofield, a lecturer in social work at the University of East Anglia and co-author of the report, said: "More needs to be done to ensure every child has access to a person they feel they can trust, whether it's

Victims of the abusers

a lawyer or a social worker or an independent adult. They are very anxious they won't be believed, and they don't feel what they say will be taken into account."

She added: "Some children feel they are so powerless, having been abused or neglected, they tend to feel blame and find it very hard to speak up for themselves."

There are approximately 35,000 children on the child protection register, and more than 10,000 in care in Britain, because they are at risk from abuse or neglect. Their average age is 14, but many are much younger, and they are often deeply torn over their desire to return to their own families, even when there is abuse, and to be placed with foster parents or in long-term residential care.

Despite the fact many have strong feelings about what they want, a recent revealed last year

that only 35 per cent of solicitors had met their child clients, when they were representing them in legal decisions over their futures.

The majority of children above the age of 10 were particularly keen to attend conferences in which their futures are being discussed. One 12-year-old boy said: "They were talking about me and mum and everyone else, so I wanted to hear what they were talking about... and whether it was correct or not. It was the meeting that mum and I went to so that they could decide whether or not she was good enough to keep me."

The report, which covers the whole range of children at risk, has been welcomed by child-care experts who are also anxious to see improvements in the system, which give children a bigger part to play in their futures.

David Truan, legal officer for the National Society for the Protection of Cruelty to Children, said: "We fully support recommendations that give the child a voice, and allow them to have more control in the decisions being made, particularly older children."



First class: Customers at Sanquhar post office, near Dumfries, the oldest post office in the world, which is to be restored as a museum of the postal service and a shop of 1712, the year when the public service was first introduced. Photograph: Tom Kidd

Half of Glasgow cabbies have crime record

Half of Glasgow's minicab drivers have criminal records – some for murder, sex offences, or possessing explosives, the results of a police survey indicate today.

One was on bail charged with attempted rape and one in 10 had no minicab licence, police found in a check of 1,000 drivers

earlier this year. The findings – disclosed in the BBC's *Frontline Scotland* programme – have prompted city councillors to seek greater powers to regulate minicab businesses.

The city was said to be without effective policing of the minicab sector in the absence of its four-man enforcing team,

who said they were encouraged to take indefinite sick leave after harassment and hostility from minicab operators.

The programme also highlighted the case of a seven-year-old girl killed by a speeding driver who allegedly had three speeding convictions – one just three weeks before her death.

The police check was prompted by fears about the quality of cars and drivers involved in minicab work, and by fears that it could be a front for other illegal activity.

Minicab drivers in Glasgow have to be licensed – but not their operators or companies. Police look at applications from

drivers and submit convictions to the licensing authority, but granting or withdrawing the licences is up to the authorities.

John Moines, chairman of the council's licensing committee, said he was unaware that operators did not have to be licensed, and would seek powers for the loophole to be plugged.

A life in fear of male visitors

Maria, 14, is typical of thousands of children who are placed in care. She had been sexually abused almost all her life at home, where she lived with her mother, a younger brother and sister and lived in fear of male visitors, writes Rebecca Fowler.

But when the abuse was exposed, and she was taken into care, Maria also hated the idea of being separated from her family, and she was concerned the court should understand her conflict. She initially denied she had been abused.

When she was asked what she wanted she explained her

dilemma. She said: "I want to live with my mother, but I want not to be afraid when men come to the house and I have to run away."

She added: "I love my mum, and I don't want her to be lonely, but I want the abuse to stop and she keeps choosing boyfriends who hurt us... I don't want to be in foster care with foster carers telling me what to do, but I don't want to be at home and hear my sister cry when she's being abused."

Despite her learning diffi-

culties, Maria was able to voice her feelings clearly. She was eventually placed into long-term foster care, but she maintains regular contact with her own family and may return to them before she reaches adulthood.

Gillian Schofield, a social work lecturer and co-author of a report by the Institute of Public Policy Research on children at risk, said: "The basic thing about children in care is that they're ambivalent. They want to be safe, but they want to be at home, and they've got to deal with that tension all the time."

Councils need not repay £17m loans to bank

A merchant bank which provided loans totalling £17m for two ill-fated projects guaranteed by local authorities was told yesterday that it cannot call in the debts because the councils had acted illegally in the first place.

The Court of Appeal ruled that Allerdale Council in Cumbria and the London borough of Waltham Forest were entitled to rely on their own "abuse of power" to avoid having to pay back debts to Credit Suisse.

The bank had argued that it would fly in the face of justice and common sense to allow the authorities to get away scot-free because of their illegal actions. But the court held that the contracts at the centre of the two cases, under which the councils guaranteed loans made to development companies they had set up to get round borrowing limits imposed by central government, were invalid and therefore unenforceable.

The bank was granted leave to appeal to the House of

Lords. Other cases are said to depend on the outcome.

In 1986, Allerdale had put £6m into an ultimately disastrous time-share and leisure pool project in Keswick. The council's statutory borrowing limit was £3.6m.

When the scheme collapsed under massive debts, the bank sued for its money, but the council relied on its own breach of public duty to "renew" on its private law obligations, said Lord Justice Peter Gibson, sitting with Lords Justices Neill and Hobhouse.

Although the bank may have expected a loan to a government body to be repaid, it had entered into the contract with open eyes.

The court ruled that neither the establishment of a company nor the giving of a guarantee fell within the express or implied powers of the council.

In 1988, Waltham Forest had guaranteed an £11m loan to a company set up in a "laudable" attempt to provide housing for

the borough's homeless and raise money for a charitable housing trust in the face of stringent financial controls imposed by central government.

The council indemnified the company against all losses arising out of the project.

The scheme went bust with the collapse of the property market in about 1990. Lord Justice Neill said that, although the purpose of the scheme was to alleviate hardship and make the best provision possible for the accommodation of homeless people, it had been a nullity from the outset because the council had no power to give the guarantee or indemnity.

"It may be that later similar schemes have or will become within the powers of local authorities, but we have to look at the position in 1988," he said.

The judges dismissed the bank's appeal against a High Court ruling that Allerdale was not legally bound to repay the debt, and allowed Waltham Forest's appeal against an order requiring it to pay up.

Wind-up of ostrich farm firm delayed

A bid to wind up the Ostrich Farming Corporation, which has attracted thousands of UK investors, was adjourned yesterday.

The Department of Trade and Industry issued the petition against OFC, which reported by has 2,000 birds on farms in Belgium, in March. The company is also being investigated by the Serious Fraud Office.

The Mansfield-based firm is said to have taken millions of pounds by claiming it can provide annual returns of 51.6 per cent on investments. The DTT's petition says: "The scheme is bound to collapse as soon as saturation point is reached."

Many investors, understood to have paid between £6,000 and

£14,000 for ostrich hens, were at the High Court to hear Mr Registrar James adjourn the case to a judge in the Chancery Division. The action should be heard before August.

Christopher Harrison, for the DTT, said such a move had been agreed with OFC. "The matter has generated enormous public concern and it's important for it to be dealt with as soon as possible."

Raquel Agnello, for OFC, said the company needed time to consider a report to be filed by the Official Receiver.

Earlier, the animal welfare group, Compassion in World Farming, held a protest outside the courts, calling for a ban on the emerging industry.

DAILY POEM

Hoverfly on Poppy

By Ruth Pitter

*Like a man reaping, on the mealy edge
Of the blond Poppy's anther-ring he stands,
Pressing his breast against the second hedge,
And gathering the pollen as with hands;
Glittering heroic on the gold and red,
He ravishes his bright Lethean breed.*

*So, licensed by a large fertility,
The robber and the robbed stand close embraced;
Curtailing hopes of generation, he
But steals some love from what has love to waste,
And gives it a strange nursing: that which flies,
Darts like a death, and looks with myriad eyes.*

Ruth Pitter was born in 1897 and published her first collection in 1920 with the help of Hilary Belloc. Her early work was praised by Yeats and C.S. Lewis, but a younger generation of poets, Thom Gunn, John Wain and Kathleen Raine, have been equally enthusiastic. In both subject matter and treatment, her poetry is classical, traditionalist and watermarked by the forms of the early 20th century, but her use of language is complex and dense, and, in this case, heavy with mysticism. *Collected Poems* is published this month by Enitharmen at £10.95. Ruth Pitter died in 1992.

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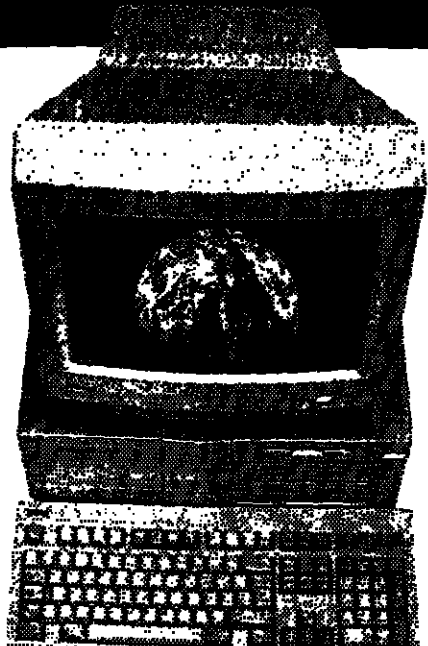
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politics

Police call for GPs to screen gun users

HEATHER MILLS

Police chiefs yesterday called on doctors to play a part in the tougher vetting of firearms users to stem Britain's growing "gun culture".

While rejecting psychological profiling as "ineffective", the Association of Chief Police Officers said GPs should have to fill in questionnaires aimed at revealing anything in an applicant's mental or physical health history which may make them unsuitable gun owners.

People wanting a gun licence should also have to advise their application in local newspapers.

Jim Sharples, Chief Constable of Merseyside and association president, in evidence to the Commons Home Affairs Select Committee which is examining gun law in the wake of the Dunblane massacre - said police needed wider powers to turn down licence applications.

The medical profession has already rejected the suggestion GPs should judge patients on breach confidentiality.

National sports centre 'a waste'

JOHN RENTOUL
Political Correspondent

Labour yesterday attacked the Government's plans for an Academy of Sport because it intends to centralise it in a single site, possibly in the Midlands.

Jack Cunningham, Labour's national heritage spokesman, accused the Government of failing to consult sports bodies, who would prefer several regional academies. The Prime Minister launched the plan last year as the centrepiece of his "sport for all" initiative to commemorate the millennium.

Dr Cunningham warned the scheme would be a waste of the £100m allocated to the project from National Lottery profits.

Prisons watchdog 'stripped of power'

HEATHER MILLS
Home Affairs Correspondent

Britain's first prisons ombudsman has been so stripped of power and independence by Michael Howard, the Home Secretary, that he should no longer carry the misleading title, angry MPs said yesterday.

An industrial all-party Commons committee, rounded on Mr Howard saying that prisoners and the public were being fooled into thinking the man who investigates injustice in the country's 136 jails has greater effectiveness than he has.

"From what we have heard he is not an ombudsman."

"He is a complaints investigator who does as much as the Home Office allows him to do," said Michael Lord, Conservative MP for Suffolk Central.

MPs were attacking Mr Howard's decision on Tuesday to impose three restraints on Vice Admiral Sir Peter Woodhead's powers to investigate inmates' grievances: they restrict his access to documents making him dependent on what the Prison Service chooses to hand over; it removes his right to investigate or even check any decisions by ministers or advice to ministers; and it requires him to provide draft reports for Prison Service checking before publication.

Sir Peter, who took up his post in April 1994, had told the Select Committee on the Parliamentary Commissioner for Administration that he was greatly concerned and disappointed by the changes, which further eroded his already "flaky" independence.

"The terms of reference, in my opinion, give too much control to the very organisation which is under scrutiny," Sir Peter told the committee.

"I think it is very important that I am seen to have that level of independence that gives me credibility with all parties. It affects not only my status but the status of other ombudsmen," he said.

He said the cases affected by the changes would be small - up to 6 per cent of its 1,800 a year - but the most important ones, often relating to the more vulnerable inmates.

He said the erosion of his rights to examine documentation would legitimise what he suspected had already happened in some cases - that files had been "weeded" before submission to him, although he had no proof. He also complained of delay in getting access to papers. In about 10 per cent of cases, Prison Service papers take a month or more to reach him, making the system too bureaucratic for short-term prisoners, remand inmates and young offenders, he said.

But Richard Wilson, permanent secretary at the Home Office, denied that there had been any "hanky panky" or obstruction with the work of the prisons ombudsman. "If it came to my attention that that was the case I would take an extremely serious view of it and expect the ombudsman to bring it to my attention."

He said Mr Howard changes were mere clarification of what had always been government intention ever since an ombudsman for prisoners was first recommended by Lord Woolf in his inquiry into the 1989 Strangeways riots.

After the hearing Sir Peter said that despite losing his powers he had no intention of resigning "at this stage".

"It is important for both my staff and the work they are doing and particularly for the prisoners that we do the best we can for them."



Water wasted: Utilities will have to rely on 'goodwill of customers' to maintain supplies this summer

Photograph: Martin Hunter

Dobson pours scorn on troubled water

Greed, sleaze and incompetence. Yesterday the target of Frank Dobson's general purpose oratorical bludgeon was the senior management of the privatised water industry.

"The public have seen the new water bosses line their pockets at the expense of the customers," Labour's environment spokesman said as he opened a debate on water supplies, calling for mandatory targets on reducing leaks and a moratorium on industry takeovers.

For water companies to maintain supplies this summer would require the goodwill of customers. "But because of the greed, sleaze and incompetence that has characterised the privatised water industry, the co-operation that people used to give will have to be earned all over again."

In an equally belligerent response, John Gummer, Secretary of State for the

- ☐ 'Greed and sleaze' of private industry
- ☐ Flying the flag for Euro-scepticism

Environment, said the two most trivial contributions to the water debate this week had been Severn Trent's advice to customers to conserve over their lawns and Mr Dobson's speech.

The summer of 1976 had showed beyond doubt that the municipal and nationalised system had failed. Some 40,000 properties had to be turned off completely.

Last year no one had to go to a standpipe and there were no rota cuts. Even if there was a dry summer, the Environment Agency believed no such measures would be needed.

Today is Europe Day - but to the pleasure of the Tory right the EU's flag will not be flying over public buildings in Britain.

Ingratiating himself with the Euro-sceptics, Malcolm Rifkind, the Foreign Secretary, endorsed the stand of Michael Forsyth, the Scottish Secretary, in refusing to fly the circle of stars to commemorate the 46th anniversary of the community.

Mr Forsyth was ostensibly making a protest at the EU ban on British beef exports, but according to the Foreign Secretary he was simply following Government policy.

The flag was raised at Question Time by Nicholas Winter-ton, Tory MP for Macclesfield, who denounced the anniversary as "pathetic and expensive propaganda". Mr Forsyth had been right to fly the Union Jack and "not to peddle this pathetic, multi-starred yellow flag".

"It has, in fact, been the pol-

Inside
Parliament

Stephen
Goodwin

ity throughout the UK not to fly the EU flag from public buildings," Mr Rifkind replied. "Therefore the policy enunciated by Mr Forsyth was fully consistent with policy pursued by many years."

With pro-European Tories finding new voice, Tim Devlin, MP for Stockton South, said there was a large community of nations queuing up to join the EU and "who look forward to the pleasure of flying a blue flag with golden stars on it".

Robin Cook, the shadow for-

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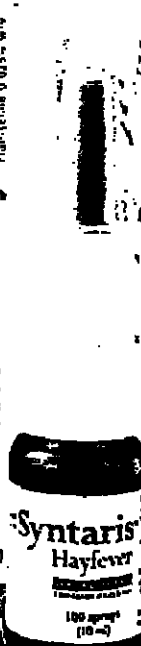
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Massacre at Qana: Report does not accept Israeli explanation of attack on compound

Error ruled out by UN experts

This is an edited text of the report by Major-General Franklin van Kappelen on the shelling of the UN compound at Qana, which was presented to the UN Security Council yesterday.

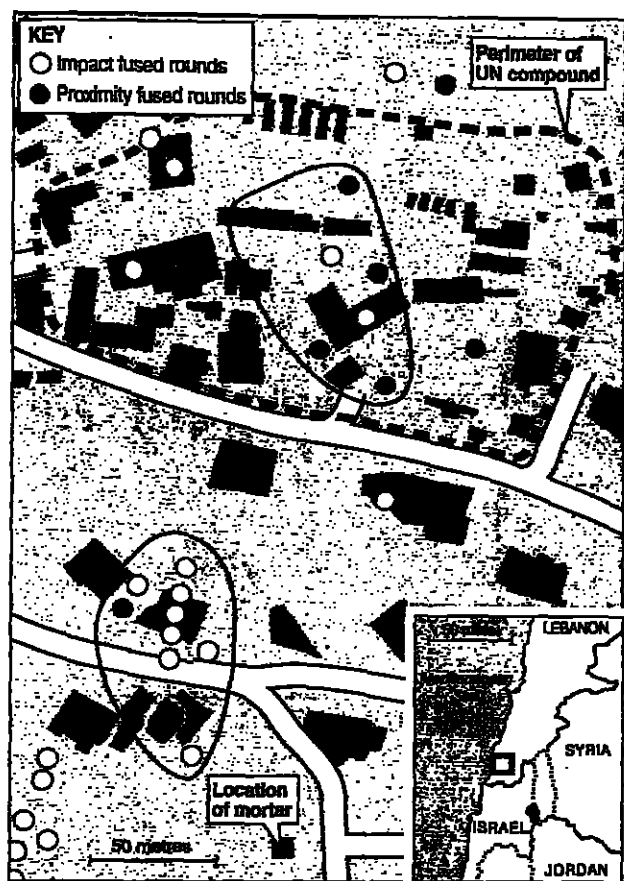
ISRAELI ACCOUNT
In the early afternoon of 18 April, an Israeli patrol had come under fire from Qana. Israeli locating radar had identified two separate targets in Qana from where fire had originated. The first was located 200m or so south-west of the UN compound; the second was 350m south-east.

The data had been sent automatically to the Northern Command and to an artillery battalion on the Israel-Lebanon border, which checked the targets on a map and found that one of the two was close to the UN position at Qana. The commanding officer sought instructions from Northern Command, which re-checked the data and gave permission to fire. This decision had not been taken lightly; officers of some seniority had been involved.

The first target had been engaged by one battery. Thirty-eight shells had been fired, about two-thirds with impact fuzes and one-third with proximity fuzes. (Proximity fuzes cause a round to explode in the air above the target; they are often used for anti-personnel fire.) The two types of fuzes had been employed in random order. Convergence fire had been used so the impacts would be concentrated in the target area. Regrettably, a few rounds overshot and hit the UN compound.

The commanding officer of the artillery battalion had no satisfactory explanation why so many shells had fallen some 200m north of the intended target. Asked if he had shifted fire during the shelling, he said he had not; he added that there would have been no time to change target data. The commanding officer's replies indicated a high professional standard. The second target had been engaged by another battery, which fired 40 rounds.

In response to repeated questions, the Israelis stated that there had been no Israeli aircraft, helicopters, or remotely piloted vehicles (RPV) in the air over Qana before, during, or



A map shows where the shells fell at the UN base. Right: Political and religious leaders pray at the funeral in Tyre of the massacre victims. Photograph: Jamal Said/Reuters

after the shelling. (These would have enabled the Israelis to observe the target area and adjust fire.) However, General Vilnai (Deputy Chief of General Staff) promised to look into this again. On 26 April, Brigadier-General David Tzur, Chief Israeli Liaison Officer to Foreign Forces, confirmed in writing that there were "no choppers or Mini-RPVs flying above the area of Qana on 18 April, before, or during the incident".

The Israeli officers stated that Israeli forces were not aware at the time of the shelling that a large number of civilians had taken refuge in the compound. They emphasised it was not Israeli policy to target civilians or the UN. On the contrary, the Israeli forces had made every effort to avoid the loss of innocent lives. The incident was, therefore, all the more deeply regretted.

BEFORE THE SHELLING
Between 1200 and 1400, Hizbollah fighters fired two or

three rockets from 350m south-east of the UN compound. Between 1230 and 1300, they fired four or five rockets from 600m south-east of the compound. About 15 minutes before the shelling, they fired between five and eight rounds of 120mm mortar from 220m south-west of the centre of the compound. The mortar was installed between 1100 and 1200 hours that day, but no action was taken by UN personnel to remove it. (On 15 April, a Fijian was shot after he tried to prevent Hizbollah fighters from firing rockets.)

The UN had taken in a large number of Lebanese seeking shelter from the Israeli bombardments. On the day of the shelling, their number is estimated to have been well over 800. When the Fijians heard the mortar being fired, they moved civilians into shelters to protect them from Israeli retaliation. At some point (it is not clear whether before or after the shelling), two or three Hizbollah

fighters entered the compound, where their families were.

THE IMPACT AREA
Thirty-six impacts were found in the Qana area. The distribution was uneven; there were two areas where impacts were concentrated and two "stray" impacts. The first concentration was 100m south of the compound, on a group of houses 75m north-west of the mortar-firing point. In all 17 shells (16 with impact fuzes, one with proximity) landed south of the compound.

The second concentration was on the middle of the UN compound. There was evidence of proximity-fuzed ammunition detonating directly above the compound. The evidence suggests eight such projectiles detonated over the compound and one just outside. There was evidence that five point-detonating projectiles detonated in the compound and three close to it. In sum, evidence was found of 11 detonations inside or di-

rectly above the compound and four very close to it. Almost all the proximity-fuzes were used in the area of the UN compound. No impacts were found at the second target area identified by the Israeli forces.

Witnesses reported that there had been during the shelling a perceptible shift in the weight of fire from an area south-west of the compound (the mortar site) to the compound itself.

Several witnesses said they saw an RPV over the Qana area before, during and after the shelling. Two helicopters were seen 2km south-east of the compound during the shelling and one was observed after the shelling had finished. The presence of a helicopter and an RPV was documented on a video tape. The RPV on the tape was of a type with a real-time data link capability.

FINDINGS
The distribution of impacts shows two distinct concentrations, whose mean points of im-

pact are about 140m apart. If the guns were converged, as stated by the Israeli forces, there should have been only one mean point of impact.

The pattern of impacts is inconsistent with normal over-shooting by a few rounds, as suggested by the Israeli forces.

During the shelling, there was a perceptible shift in the weight of fire from the mortar site to the compound.

The distribution of point-impact detonations and air-bursts makes it improbable that impact-fuzes and proximity-fuzes were employed in random order, as stated by the Israeli forces.

Contrary to repeated denials, two Israeli helicopters and a remotely piloted vehicle were present in the Qana area at the time of the shelling.

While the possibility cannot be ruled out completely, it is unlikely that the shelling of the UN compound was the result of gross technical and/or procedural errors.

IN BRIEF

Nazi victims finally laid to rest

Hamburg — The brains of 10 handicapped victims of the Nazis were finally laid to rest in a cemetery after being kept in jars of formaldehyde in a Vienna hospital for more than 50 years.

The deceased, most of them children, were victims of the Nazis' euthanasia drive to create a master Aryan race. Politicians, churchmen and relatives of one victim held a memorial service before burying the cremated remains, on the 51st anniversary of the end of World War Two, in a section of the Hamburg cemetery reserved for victims of Nazism. The dead were patients of a Hamburg mental hospital and were later transferred to Vienna and killed after serving their purpose as human guinea pigs. *Reuters*

Gangsters face jail for knifing

Tokyo — Prosecutors demanded prison terms of up to seven years for five gangsters on trial for knifing popular filmmaker Juzo Itami, who angered Japan's underworld with a film showing how to fight mob pressure. Itami, who achieved acclaim abroad for his social satires *Tampopo*, *The Funeral* and *A Taxing Woman*, was slashed in the face and neck near home in 1992. *AP*

Generals accused over killings

Madrid — Three senior generals have been accused by Spain's leading judge, Baltasar Garçon, of involvement in killings by Gal anti-terrorist squads during a "dirty war" against Basque separatists, writes Liz Nash. Luis Roldan, the disgraced former Civil Guard boss, testified that Enrique Rodriguez Galindo, Jose Antonio Saez de Santa Maria and Andres Cassinello were responsible for up to four deaths of suspected ETA members in the early 1980s. The accusations mark the resurgence of a murky scandal that contributed to Felipe Gonzalez's recent election defeat. *Reuters*

Demand for phones peaking

Peking — Growing demand has seen Peking become the fifth city in the world to increase all its phone numbers to eight digits. "Seven-digit phone number resources can no longer satisfy the rapid growth of demands for phones," said Ni Yimin, director of the Peking Telecommunications Bureau. Beijing had 4.09 million phone lines and 1.5 million subscribers at the end of last year. *AP*

French pilot dies in mid-air collision

Manama — Two French Mirage-2000 warplanes collided over Dhahran in eastern Saudi Arabia, killing a French pilot, the state-run Saudi Press Agency said. One of the pilots managed to land safely, while the other was killed when his plane crashed on Tuesday night, the news agency said, quoting an unidentified source at the Saudi Defence Ministry. *AP*

Chandraswami is refused bail

New Delhi — A court refused to release on bail the politically powerful Hindu holy man who was arrested for allegedly cheating a businessman out of \$100,000. The New Delhi High Court also rejected the swami's plea that he be placed under house arrest because of his poor health, instead of being kept in jail. Nemi Chand Jain, commonly known as Chandraswami, is well known as a spiritual adviser to celebrities, business leaders and India's prime minister. *AP*

Legendary bullfighter dies

Madrid — Dominguito, one of Spain's most famed bullfighters, has died at his home in southern Spain aged, reports said. Dominguito, whose real name was Luis Miguel Gonzalez Lucas, became a legend in the 1950s and 1960s. He had suffered from heart disease in recent years. *AP*

13 children feared dead in lake

Tirana — Thirteen children and their teacher were feared drowned in a lake in south-eastern Albania after their boat capsized. Albanian state radio said the accident happened on Tuesday afternoon when the high school children were boating on Prespa Lake, which Albania shares with Greece and Macedonia. *AP*

Boys get board with sex

Helsinki — A Finnish teacher and child welfare group have launched a "How to Make Children" board game to get teenage schoolboys interested in the reproductive side of sex. "Everybody gets pregnant in the game, even the boys," said Selja Sihvola, of the Mannerheim League for Child Welfare. *Reuters*

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Battles rage as nuclear cargo arrives

MARTIN SCHMIDT-BLEEK
Reuters

Görleben, Germany (Reuters) — A 40-tonne shipment of French-processed atomic waste reached a German storage depot yesterday after pitched battles between an army of riot-clad police and about 3,000 anti-nuclear protesters.

The normally-peaceful farmland around Görleben in north Germany looked like it was hit by a civil war as the controversial shipment arrived.

Several thousand helmeted police lined country lanes near the medium-term storage depot, 120 km (75 miles) east of Hanover, and used water cannon, tear-gas and clubs to clear away waves of anti-nuclear protesters.

Eighteen policemen and two demonstrators were injured and several protesters detained when the crowds tried to block the radioactive cargo from moving some 20 km (12 miles) on a giant flatbed truck from the Dannenberg railway station to Görleben.

"It would almost be fitting to use the word 'war' at the moment," said a police spokesman, who could not give exact numbers of those detained.

Barricades and bonfires blocked roads and, in some villages, farmers dumped piles of manure in the streets in a last-ditch effort to stop the truck.

A thick wedge of riot police, backed up by water-cannon trucks trying to hose away sit-down strikers, headed up a long procession of police vehicles protecting the waste shipment.

The radioactive waste, which

crossed into Germany from a French reprocessing plant by rail at midday on Tuesday, had made its way through most of the country practically unhindered. It was the first of around 110 shipments set to carry nuclear waste and fuel back to German reactors over the next eight years.

In Bonn, a spokesman for the environmentalist Greens accused police of brutality and said the German government was trying to make the Görleben depot into "an atomic toilet".

But Peter Hintze, general secretary of Chancellor Helmut Kohl's Christian Democrats (CDU), blamed the protesters. "One shudders when one sees how a radical group tries to hinder this transport with uninhibited violence against people and property," he said.

Before the transport reached Görleben, police helicopters roared overhead to survey the scene and police dogs snarled at activists hurling stones and shooting fireworks.

This no longer has anything to do with peaceful protests, a police spokesman said.

The truck, carrying the waste in a hardened container under a blue tarpaulin, stopped briefly between Dannenberg and Görleben at a place where protesters had dug underneath the road, but was then able to continue.

Activists had already clashed with police in the area on Tuesday afternoon after trying to sabotage the railway tracks.

The waste shipment eluded observers from the environmental group Greenpeace who had staked out the world's



Forest protest: Anti-nuclear demonstrators in Germany burn barricades to try to block the nuclear waste consignment

Photograph: Reinhard Krause/Reuters

largest nuclear reprocessing plant in La Hague in northern France. They had hoped to tip off their German counterparts.

Greenpeace demonstrators kept vigil along the tracks near Görleben during the night. De-

fying a ban on protests in the area, they sat around campfires singing songs like "We Shall Overcome".

In one of Germany's biggest internal security operations, about 15,000 police and border

guards were deployed to protect the waste as it moved through Germany.

The train, with locomotives at each end, had included four cars carrying police and nuclear safety officials.

Despite the tight security, about 30 protesters managed to halt the train briefly by sitting on the tracks near Dannenberg in western Germany on Tuesday. They left peacefully at the request of police.

Interior minister Manfred Kanther instructed border guards and railway police on Tuesday not to shy away from using force if it was needed to prevent militants from vandalising rail lines.

Fraud against EU tops £800m

KATHERINE BUTLER
Brussels

Professional criminals are turning from robbing banks to the much richer pickings of the frontier-free single European market, according to the European Commission. Cigarette smuggling, emerging as one of the most lucrative rackets for international mafia-style gangs, cost EU governments £310m and the UK treasury £36m in unpaid duties last year, the Commission's annual fraud report, published yesterday, claims.

The Commission says 4,700 cases of fraud were detected during 1995, an increase of around 15 per cent on the previous year and a reflection of the new determination in Brussels to answer frequent charges that the EU is soft on fraud. Cases detected last year represented losses of £800m or 1.4 per cent of the EU's £62bn budget. Just 10 per cent of the cases accounted for half of the money siphoned off.

The most worrying trend, according to EU financial control commissioner Anita Gradin, is that EU funds, across all sections of the budget, are being targeted increasingly by the perpetrators of organised international crime, often operating from eastern Europe. "We are not talking about individual farmers claiming an extra hectare of farm aid, we are talking about criminals, mafia-like organisations, the same people who are trafficking in drugs, in humans, and who are involved in money laundering."

Agriculture, which absorbs almost half of the central budget, is still the area most susceptible to fraud, accounting for half of last year's cases. Swindling the EU's generous regional and social grants schemes increased three-fold last year, with detected losses of £54m. In one case, the head of a Danish job-training institute was found to be diverting funds intended for France, the UK and Ireland.

Lorry-loads of meat, live cattle, bananas, butter, sugar and milk powder were involved in cases uncovered last year, representing £600m in lost revenue.

Howard targets gun laws armed with massacre outrage



John Howard: Public back move to restrict weapons

ROBERT MILLIKEN
Sydney

Presided over by John Howard, the prime minister, and spurred by public outrage, police ministers from around Australia will gather tomorrow in a bid to tighten the nation's ramshackle gun laws in the wake of the Port Arthur massacre of 35 people.

Called by Mr Howard after the slaughter in Tasmania 11 days ago, the meeting is seen as a do-or-die attempt to bring in strict, uniform controls, smother the political influence of the rural-based gun lobby and head

off a growing "gun culture". In New South Wales, the most populous state, the rate of murders committed with guns is one-tenth that in America, but seven times greater than in England and Wales. Since 1984, 87 people have died in mass shootings in Australia.

Military-style, semi-automatic weapons and pump-action shotguns were used in the four worst shooting sprees. Duncan Chappell, a Sydney criminologist, said yesterday: "If we can't get over the top at this point, I would be pessimistic about us ever being able to do it."

Mr Chappell headed an inquiry by the National Committee on Violence after two mass shootings in Melbourne in 1987 left 15 people dead. It concluded prophetically that, unless there were tighter gun controls, more such horrors would follow. Canberra banned the import of automatic and semi-automatic weapons as a result.

But power over guns remains with Australia's six parochially-minded state governments. Most have quivered at threats by the wealthy gun lobby, backed by the powerful American National Rifle Association,

to use its political muscle in country regions where farmers see gun ownership as a right.

Meanwhile, the national arsenal has grown insidiously. Mr Chappell's inquiry estimated there were four millions guns in Australia, roughly one for every five Australians. Other estimates suggest 10 million, most unregistered. According to Daryl Williams, the federal attorney-general, there may be three million semi-automatic, self-loading or pump-action guns in Australia and a further 350,000 military-style, semi-automatic weapons.

Federal and state ministers have met 20 times over the past six years, but failed to agree on reforms such as a national gun registration scheme, a ban on mail-order sales—which is how the alleged Port Arthur gunman, Martin Bryant, obtained his weapons—and rules on safety training and gun storage.

Having exposed the firmness of Australia's rules and shocked the nation, the Port Arthur massacre is likely to prove a turning point. Mr Howard will tomorrow present a plan for uniform national laws which include a complete ban on the use

of automatic and semi-automatic weapons, rules restricting other guns to approved groups, and tighter vetting of people granted licences.

There will be a six month amnesty for the surrender of banned weapons, and terms of up to seven years for those who fail to comply. Mr Howard will also propose compensation for those who surrender outlawed guns, a scheme that could cost \$300m (£150m). Public opinion is overwhelmingly behind the proposals. Opinion polls show support running at more than 90 per cent.

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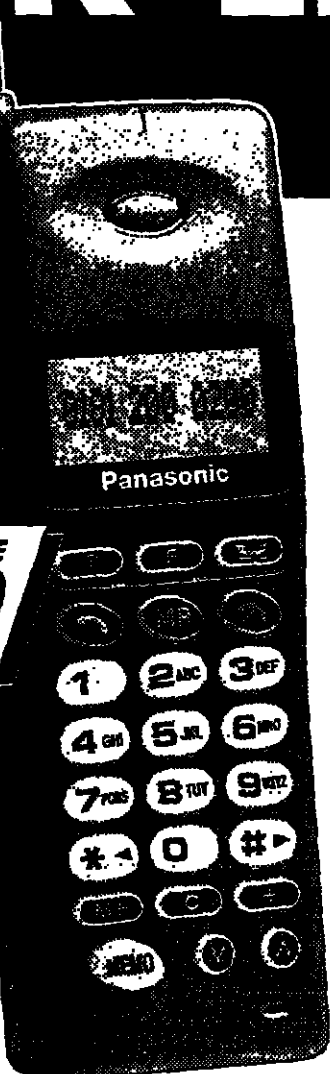
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Patten fights China's corner

STEPHEN VINES
Hong Kong

Chris Patten, the Governor of Hong Kong whom China describes as a criminal, is turning out to be Peking's most important ally in securing Most Favoured Nation (MFN) trading status from the US.

Mr Patten is visiting the US and taking every opportunity to press for renewal of MFN next month. Although he said: "I make no case for China to have its MFN status renewed", he also argues it is his job to "make the case for Hong Kong that China's MFN status should be renewed". He says the colony will suffer from non-renewal, as its economy depends heavily on trade with China.

On Tuesday he met the Vice President, Al Gore, and said he had received an assurance that Washington intended to renew MFN for China. He also defended renewal to Senator Robert Dole, the Republican presidential candidate who is under pressure to make trade with China a political issue.

Mr Patten's efforts have cut little ice with Chinese officials in Hong Kong who accuse the Governor of being "insincere" and "playing tricks" on his US visit. They say he is stimulating unjustified "internationalisation" of Hong Kong's affairs.

The visit by Mr Patten comes a week after another by Martin Lee, the leader of Hong Kong's Democratic Party, who China describes as "a subversive". He used his strong human-rights credentials to put the case against trade sanctions on China. Mr Lee told influential Americans, including Mr Gore, that there was a case for disentangling trade from China's human-rights record.

Peking has threatened retaliation against American businesses if US threats of sanctions to counter the abuse of intellectual property rights are carried out and if MFN is not renewed. Although Mr Patten is being helpful on trading issues, he has bolstered Chinese suspicions by pressing the case also for democratic progress in Hong Kong.

Ugandan elections: Voters expected to endorse president who led them out of the darkness

Museveni lays ghosts of past dictators

DAVID ORR
Kampala

No one could accuse Ugandans of political apathy. They have turned up in their thousands, singing, dancing and waving branches at countrywide rallies in the run-up to today's elections. Uganda's first ever direct presidential poll.

In a nation where political parties are officially disallowed and where candidates must stand as individuals, such fervour might seem surprising. Both main contenders have been campaigning tirelessly, criss-crossing the lush landscape before converging in the last few days on the capital, Kampala. Despite widespread predictions that the incumbent, President Yoweri Museveni, will comfortably win the elections, his main opponent, Doctor Paul Ssemogerere, has had more success in opinion polls and has drawn bigger crowds than was originally anticipated.

While today's vote is ostensibly about the direction Uganda will take in the future, the

chosen the uninspiring election slogan, "No change", which does little credit to the president's reputation as a reformer and moderniser.

The task facing Dr Ssemogerere, the candidate fielded by the two main opposition parties, is a difficult one. A former cabinet minister and the believed winner of the rigged 1980 elections which brought Obote to power for a second time, Ssemogerere is a respected politician. However, he lacks the charisma and track record of his opponent.

The Ssemogerere manifesto promises to replace Museveni's "no-party" system with multi-party democracy. It also pledges a negotiated resolution of a localised but vicious rebel insurgency in northern Uganda and improved relations with the Sudanese government, which is supporting the Lord's Resistance Army (LRA) rebels.

The LRA's endorsement of Doctor Ssemogerere's campaign has, however, alienated many Ugandans, particularly in the south. Also causing concern to many is the alliance between Doctor Ssemogerere's Democratic Party (which has a southern support base) and the Uganda People's Congress (UPC), the party of the exiled Milton Obote, which draws most of its support from the north.

While himself of untarnished reputation, Doctor Ssemogerere has underestimated the terrible associations which the UPC holds for many Ugandans. By publicly announcing that he would not prevent Obote from returning to Uganda if elected, Ssemogerere sent shock waves through those southern areas which suffered most under the dictator.

"I feel frightened when I hear talk of Obote coming back", says John Mukasa, a farmer in a village within sight of Lake Victoria. "My wife was beheaded and I was tortured during that man's regime. I had two farms which were both destroyed by the army. It was Museveni who lifted Uganda out of the pit it had fallen in to. Now there are new houses appearing in this neighbourhood, the children are all going to school and there are smart cars on the road".

Mr Mukasa says he is not concerned by President Museveni's opposition to multi-party politics. Like the president, he believes political parties will resurrect the ethnic tensions which tore Uganda apart under dictators Amin and Obote.

There are, however, growing indications that the international community, in particular the United States, will reduce donor support for the Museveni government unless greater moves are made towards multi-party democracy.

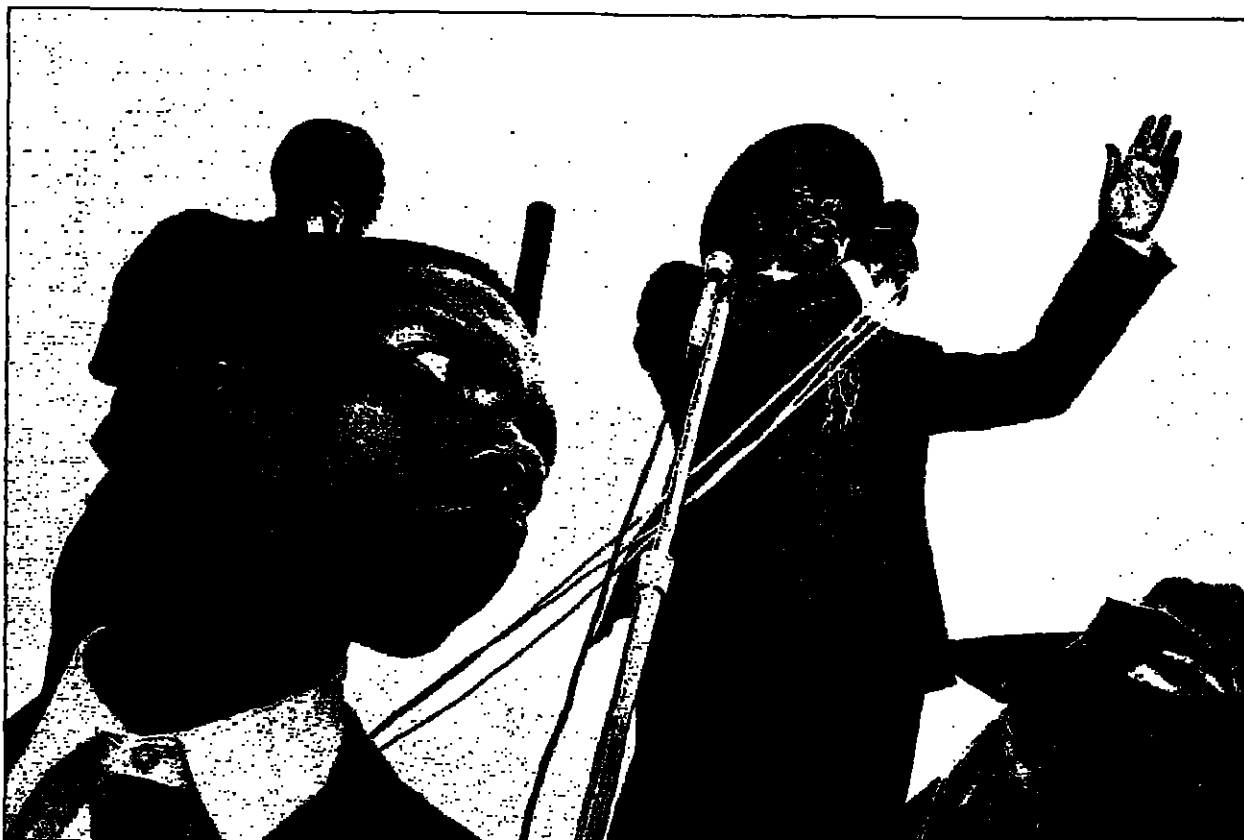


Milton Obote: Southern Ugandans fear his return

issues underpinning it point very much towards the past. Uganda was, in the words of a western diplomat here "the first major country in Africa to go to hell". Its people have bitter memories of the regimes of terror of both Idi Amin in the 1970s and of Milton Obote in the first half of the 1980s.

Foremost in the minds of most Ugandans is the desire to avoid a repeat of those terrible years during which as many as three quarters of a million people were killed. President Museveni is the man who defeated Obote and put an end to the brutal cycle of suffering and ruin.

Since the advent to power in 1986 of President Museveni and his National Resistance Movement, Uganda has known a decade of relative peace and prosperity. With an average economic growth rate of 6 per cent per annum, the country has become the darling of the western donor community which funds it to the tune of some £350m a year. It is for this reason that the Museveni camp has



Voice of stability: President Yoweri Museveni addresses supporters on the last day of campaigning Photograph: AP

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Dominguin

Luis Miguel Gonzalez Lucas, "Dominguin", inspired a book by Hemingway, joked with both Franco and Picasso and had affairs with a string of Hollywood film goddesses including Ava Gardner. Regarded as one of the best bullfighters ever, he was the son of a bullfighter and entered the ring alongside his brothers, who also became bullfighters, at the age of 10.

He went on to become a fully-fledged matador at the age of 17, and attained stardom by eclipsing the great Manolete in the 1944 season, and assuming his mantle when the older man died in 1947 after being savagely gored. During his heyday in the 1950s Dominguin became a superstar at home, and a jewel of the international jetset.

His name was linked to Brigitte Bardot, Rita Hayworth, Lana Turner, Yvonne de Carlo, Zsa Zsa Gabor, Lauren Bacall, and especially Ava Gardner. Legend has it that when he left Ms Gardner's bed with ungentelemanly haste, she called after him: "Where are you going? His apocryphal reply: "To tell everybody", but their liaison lasted from 1953 to 1956.

Later in life he was to downplay his reputation as a Don Juan: "I have just quietly gone along with my life, but the women just besieged me." He told one interviewer that he never slept with a woman during the 10-month bullfighting season, so as not to disturb his concentration and his reflexes. "What about the other two months?" the interviewer asked. "I didn't even stop to eat."

Ernest Hemingway followed the fortunes of Dominguin throughout the summer of 1959, and especially his intense rivalry with the other great bullfighter of the day, his brother-in-law Antonio Ordonez. Upon hearing the news of Dominguin's death yesterday, Ordonez hurried to his old rival's home to pay his respects.

Hemingway wrote up the experience of that summer in a

series of reports for *Life* magazine; they asked for 10,000 words and ended up publishing 70,000. After Hemingway's death in 1961 the reportage was cut back to 45,000 words and published in 1985 as a book entitled *The Dangerous Summer*.

Hemingway, fascinated by the idea of a man risking death in the ring, said that Dominguin "could do anything with a bull". As it beared on those words, Dominguin once travelled to Mozambique to fight wild buffalo, to the horror of the organisers of his safari tour. Graingy black-and-white footage played on Spanish television yesterday confirmed Hemingway's description of him as "dark, tall, narrow-hipped, with his neck a little too long for a bullfighter". The images showed him cheekily patting a passing bull on the backside as he twisted elegantly within millimetres of the deadly horns.

Dominguin was very friendly with Franco, with whom he often went hunting. "I used to tell him the jokes people told about him, and that amused him a lot," the bullfighter reminisced. He once turned to his advantage an awkward moment when, at the end of a hunt, one of the dictator's strongmen, who had tried to link the bullfighter to the outlawed Communist party, asked him, in front of Franco, which of the three brothers was the Communist. Dominguin answered "All three!" to roars of laughter from the *Generalissimo*.

Notorious for his arrogance, Dominguin frequently took part in café discussion circles with prominent intellectuals of his day, without being bothered for one moment by the fact that he never read their works. "My thing is bulls," he insisted. He was criticised throughout his scandal-ridden life for the excesses of his personality, but the controversial bullfighting star of a later generation, Manuel Benítez "El Cordobés", said of him yesterday: "He had a lot of authority. And someone who radiated such glory and provided many good bullfighting after-



Dominguin: one of the best bullfighters ever, he once travelled to Mozambique to fight wild buffalo

noons leaves his mark. He'll always be remembered."

He married the Italian film star Lucia Bose in Las Vegas in 1954, and in a Spanish church ceremony the following year. They had three children, with Pablo Picasso and Luciano Visconti as godparents. Their son, Miguel Bose, became a leading actor and singer.

Dominguin was seriously gored at least 15 times, and withdrew from the ring in 1960. He made a brief comeback in 1971 and his last bullfight was in Barcelona in 1973.

He won the right to change his surname for the nickname by which he became famous through royal decree in 1990. He insisted that he never re-

tired, he "just stopped bullfighting indefinitely".

Liz Nash

Luis Miguel Gonzalez Lucas, "Dominguin", bullfighter; born Madrid 9 December 1926; married 1954 Lucia Bose (one son, two daughters, marriage dissolved); 1987 Rosario Prime de Rivera; died Seville 8 May 1996.

Professor Keith Kelsall

industrial relations and their history.

He moved during the Second World War to employment for the Ministry of Town and Country Planning in Birmingham, but resumed an academic career thereafter with sociological research at the London School of Economics. This included, in association with a major programme of enquiry led by David Glass into social mobility and professional group composition, both the civil service book and a first-ever survey of *Applications for Admission to Uni-*



Kelsall: 'caretaker for sociology'

versities (1957), commissioned by the Committee of Vice-Chancellors and Principals of the Universities of the United Kingdom, which paved the way for the extensive socio-statistical investigations that Clans Moss directed for the Robbins Committee a few years later.

Kelsall himself built on the interest he thus acquired in the social role of education, and in pathways to and beyond its higher levels, to produce over the 1960s and 1970s a series of informative reports and studies on such issues and their links with social stratification - this on several occasions in fruitful partnership with his wife Helen, an experienced practitioner in education; and on some others with younger colleagues.

Sheffield University's School of Social Studies, which Kelsall came to head in 1955, was then a small unit offering non-graduate introductory courses to a range of employments in social welfare. Within just a few

years, he had extended its activities, transformed it into a Department of Sociological Studies, located it firmly within the faculty structure, and introduced an honours school of sociology.

Tensions were inevitable, both intellectual and personal. Kelsall presided over these with customary equanimity, but also with an unassuming persuasiveness which, along with diversity of academic background, was to lay the foundation for a thriving multidisciplinary department of sociology, social policy and social work.

Kelsall's first and abiding interest was in history: a subject, he said, which did not change, by contrast with sociology. And for all the high respect he justly earned within the latter field, he regarded himself as "a caretaker for sociology" on behalf of younger rising professionals, for whom his support and advice were always unstinting. Naturally enough then, it was to historical research that he returned on his retirement in 1975; and as Scots alike, he and his wife demonstrated their enduring energy and flair in evocative joint studies into their native country's social history, including *Scottish Lifestyle 300 Years Ago* (1986). Kelsall now also found time to pursue a long-standing love of antique glass into full time connoisseurship, and with two fine books about 18th-century glass (the most recent was *The Open-Flame Lamp*, 1995) established himself as an authority on the subject.

A man of wide interests and empathy, as well as of gentle temper and subtle humour, Keith Kelsall will be sorely missed.

Eric Sainsbury and John Westergaard

Roger Keith Kelsall, sociologist and historian; born Milngavie, Scotland 23 January 1910; Assistant Lecturer, Hull University College 1935-42; Head, School of Social Studies, then Professor of Sociological Studies, Sheffield University 1955-75 (Emeritus); married Helen Lightbody 1954 (one son); died Sheffield 1 May 1996.

Jack Weston

As both villain and comic actor, chubby Jack Weston excelled in ineffectual blunderers who are not quite as smart as they think they are and frequently come to grief.

As a hitman in *Mirage* (1965), he is heartlessly shot by his colleague when being used as a human shield by the hero, in *Wait until Dark* (1967) he is run down by the mastermind he and his pal plan to double-cross, and in *Ishtar* (1987) he is agent for two of the world's worst songwriters. His fine flair for comedy was showcased both in Hollywood and on Broadway (where he received a Tony nomination), notably in works by Woody Allen, Neil Simon and Alan Alda.

He was born Morris Weinstein in Cleveland, Ohio, in 1925, and at the age of ten was enrolled by his father in Cleveland Playhouse after his school-teacher had complained that the mischievous boy seemed happiest when play-acting. After serving as a machine-gunner in Italy during the Second World War, he studied at the American Theatre Wing in New York, stating "If someone would give me \$80 a week for life just to let me act that's all I'd ever ask." After marrying actress Marge Redmond, he worked as dishwasher and elevator operator prior to his Broadway debut in the play *Seasons in the Sun* (1950), which preceded other small roles on stage and in the early days of live television. In 1957 he and Marge decided to try Los Angeles where he was immediately cast in an episode of the television west-

ern *Gunslinger*. It was the first of hundreds of television roles, including episodes of *The Untouchables* and *Twilight Zone*, and regular roles in the series *My Sister Eileen* and *The Hathaways*.

Weston made his film debut in *Stage Struck* (1968), and along with his villains in *Mirage*.



Weston: flair for comedy

Wait until Dark and *The Thomas Crown Affair* (1968), demonstrated his fine flair for comedy in *Please Don't Eat the Daisies* (1960), *It's Only Money* (1962), *Cactus Flower* (1969), *A New Leaf* (1971), and *Fuzz* (1972), a farcical account of police work which included a memorable sequence in which cops Burt Reynolds and Weston disguise themselves as nuns.

A compulsive worker and worrier, Jack Weston found the Los Angeles boring, and returned to New York in 1975. The following year he repeated on screen his stage role in Terrence McNally's *The Ritz*, as a heterosexual male who, flee-

ing from would-be killers inadvertently takes refuge in a homosexual bath-house. With Richard Lester's frantic direction, what had been hilarious on stage seemed a forced one-joke farce on screen, but the same year Weston had a Broadway triumph with a leading role in Neil Simon's *California Suite*, starring in two of the four plays. A self-confessed "hypochondriac, paranoid, nervous wreck", Weston and leading lady Tammy Grimes didn't speak to each other off-stage throughout the play's run.

Weston's association with Simon continued when he headed the touring company of *The Last of the Red Hot Lovers*, and in 1981 Woody Allen cast him as a sleazy personal manager in his play *The Floating Light Bulb*, for which he received a Tony nomination (he was beaten by Ian McKellan in *Amadeus*).

The same year he starred on screen in Alan Alda's perceptive story of four marriages through the years, *The Four Seasons*, as a cantankerous dentist, and he played the same role in a spin-off television series (1984). His last stage appearances were in *Measure for Measure* and a revival of Paddy Chayevsky's *The Tenth Man* (1989), but for the last six years he battled with lymphoma.

Tom Vallance

Morris Weinstein (Jack Weston), actor; born Cleveland, Ohio 21 August 1925; married Marge Redmond (marriage dissolved); Laurie Glicker; died New York 3 May 1996.

General Jean Crépin

On the morning of 24 August 1944 a reconnaissance plane flew over the Ile de la Cité in Paris and dropped a message. It was signed by Colonel Crépin and it stated "Hold on: we are coming." This meant that General Leclerc was on his way and was going to relieve the French capital where insurgent forces were still fighting against the German army. That evening, at about 10.30, the first units of Leclerc's army arrived and the bells of Paris rang out in celebration.

This was the most dramatic moment in the distinguished career of General Crépin and, unfairly perhaps, it is the best remembered.

He was already a distinguished officer, a specialist in artillery, when he joined Free France in the summer of 1940. He was attached to Leclerc and his army in West Africa, and he fought with them in their expedition to Tripolitania. From there he transferred to Britain, to prepare the Second Armoured Division for the invasion of France. He was beside Leclerc from the moment the division landed in Normandy, but in spite of his loyalty to him it was typical that he should afterwards have been critical of his tactics, particularly claiming that Leclerc's deployment of troops hindered the movement of the American army under General Gerow.

In 1945 Crépin was sent to Indo-China with General Leclerc. They had the task of negotiating for the future French re-occupation of Indo-China. For a time Crépin was

in Chung King and negotiated directly with Ho Chi Minh. He was later the chief French representative in Hanoi. When Leclerc returned to France in January 1947, the question arose as to whether he should return to Indo-China as French High Commissioner and carry out his policy of giving the French colonies some degree of independence. Crépin assisted Leclerc in this period of negotiation and indecision, and is one of the few sources of information about the stormy interview between de Gaulle and Leclerc, which turned out to be their last meeting. Leclerc refused Indo-China and was killed in an air accident shortly afterwards.

But Crépin had other preoccupations. In 1945 de Gaulle had erected a Commissariat for Atomic Energy, and after his retirement it continued to function and it was always helped by Gaullists in various positions. Crépin, who had been made brigade-general, played a most important role. He was in charge of the committee for nuclear explosions, a committee that was so secret that few government ministers knew anything about it. He can therefore be considered one of the creators of the French bomb, although when it was exploded and an excited de Gaulle cried "Hurrah for France", the more realistic Crépin said that it was "only an experimental device".

But before this event (13 February 1960) Crépin had, like many army officers, to go through the experience of Al-



Crépin: one of the creators of the French atom bomb

geria. In 1959, as a full general, he was serving at Ain Arnat, south of Oran, when de Gaulle gave his first intimations that his policy in Algeria was one of "autodetermination". This was not supported by General Massu, the commander of the Army Corps of Algiers. He was removed from his post and a wave of protests swept through Algiers. On 24 January 1960,

fighting broke out in the capital, some 24 people were killed and barricades were put up. Crépin was ordered to succeed Massu (with whom he had fought in Leclerc's army). The danger was that the army would fire on the rebels, and this would lead to a widespread revolt against de Gaulle, which would be joined by many sections of the army. Crépin con-

vinced de Gaulle that such bloodshed would be fatal, and it was his policy which succeeded, the insurrection simply petering out.

For this Crépin was promoted to be Commander-in-Chief in Algeria, but here he was less successful. He was nicknamed "Cassandre" because of his prominent jaw, and he was dismissed as being too close to de Gaulle. At the same time he was influenced by the atmosphere and uttered several "Algerie française" remarks. He was therefore removed to take command in Germany and also to command the Central Europe section of Nato. He was the youngest five-star general in the French Army when he retired in 1967.

He then began a career as an industrialist. His experience as a military engineer made him an ideal president of the North Aviation Company, and eventually in 1970 the National Society of Aerospace Industry, and the French-German Euromissile Company. In this capacity, the man who was the French atom bomb became one of the creators of the Exocet and other missiles.

General Crépin had many decorations, including the Distinguished Service Order.

Douglas Johnson

Jean-Albert-Ernest Crépin, soldier and industrialist; born Bernville, Somme 1 September 1908; married 1948 Simone Grandy (deceased, two daughters); died Aches-la-Forêt, Seine-et-Marne 4 May 1996.

BIRTHS

GUTHRIE: Rowena Victoria, born on 29 April 1996, at home, to Caroline (née Ter) and Mark, a sister for Cameron, who is delighting his all.

DEATHS

EWING: At the Marie Curie Centre, Newcastle, on 6 May 1996, Gary James Ewing, aged 31 years. Devoted husband of Stephanie Bales, a precious dad to Katie, West Newcastle, Whitley Bay, very dear son of Jim and Elma, Inverurie, and a much-loved brother to Alan and Donna. Sadly missed. Thanking service will take place at St Andrew's Parish Church, Inverurie, on Saturday 11 May at 10am, thereafter to Inverurie Old Cemetery. All friends respectfully invited. Donations to Marie Curie Centre at the church door, if so desired.

LAWRENCE: John Stewart MD FRCS on 6 May 1996, aged 88. Funeral, Peel Green Crematorium, on Friday 10 May at 12.30pm. Memorial service to be arranged later. Donations.

Appointments

Mr Anthony Fiegls, to be Ambassador to the Republic of Austria.
Mr Robert Dewar, to be Ambassador (non-resident) to the Federal Islamic Republic of the Comoros.
Mr John Reginald Clegg, to be a dis-

Births, Marriages & Deaths

If wished, to Parkinson's Disease Society.
SMITH: On 7 May 1996, peacefully, Sir Howard Smith, Service to take place at the Kent and Sussex Crematorium, Tunbridge Wells, on Thursday 16 May at 12 noon. Family flowers only, donations if wished to the RNIB or MND c/o C. Watkinson & Sons, High Street, Burwash, East Sussex, telephone 01435 882219.

Announcements for Gazette BIRTHS, MARRIAGES & DEATHS should be sent in writing to the Gazette Editor: The Independent, 1 Canada Square, Canary Wharf, London E14 3DL, telephone 0171-252 2011 or fax 0171-252 2018, and are charged at £6.50 a line (VAT extra).

trier judge, assigned to the Northern Circuit.
Mr David Nelson Hayes, to be a district judge, assigned to the South Eastern Circuit.
District Judge Wilkinson, to be a circuit judge, assigned to the Northern Circuit.

Birthdays

Mr Richard Adams, author, 76; Mr Alan Bennett, actor and playwright, 62; Miss Candice Bergen, actress, 50; The Right Rev Cyril Bowles, Assistant Bishop, Diocese of Gloucester, 80; Miss Sheila Burnell, actress, 74; Mr John Cook, surgeon, 62; Lord Cooke, President, New Zealand Court of Appeal, 70; Mr Terry Downes, boxer, 80; Mr Albert Finney, actor and director, 69; Mr Carlo Maria Giulini, conductor, 82; Dr Douglas Guest, organist, 80; Sir Joshua Hassan QC, former Chief Minister of Gibraltar, 81; Vice-Admiral Sir John Hayes, 83; Sir Geoffrey Holland, Vice-Chancellor, Essex University, 58; Miss Glenda Jackson, MP and actress, 60; Mr Billy Joel, singer, 47; Mr Matthew Kelly, broadcaster, 46; Sir Francis Kennedy, former diplomat, 70; General Sir Peter Leung, former Master-General of the Ordnance, 71; Lord Lloyd of Berwick, a Lord of Appeal in Ordinary, 67; Mr Gavin Lyall, author, 64; Sir John McDermott, a Lord Justice of Appeal, Northern Ireland, 69; Miss Geraldine McEwan, actress, 64; Professor Alistair MacFarlane, Principal and Vice-Chancellor, Heriot-Watt University, 65; Mr Brian McMaster, Director, Edinburgh Festival, 53; Sir Philip Massey, former diplomat, 70; Dr Roy Massey, organist and Master of the

Choirists, Hereford Cathedral, 62; Mr William Oliver ME 54; Sir David Plaster, Chairman, Medical Research Council, 64; Mr John Robertson, former deputy chairman, Barclays de Zoete Wedd, 62; Dr Bernard Rose, organist, 80; Mr Patrick Ryecart, actor, 44; Miss Joan Sims, actress, 66; Admiral Sir Victor Smith, former chairman, Australian Chiefs of Staff Committee, 83; Mr Graham Ward, chairman, World Utilities Group, Price Waterhouse, 44; Sir Nicholas Wilson, High Court judge, 51.

Anniversaries

Births: Sir James Matthew Barrie, novelist and playwright, 1860; Howard Carter, painter and Egyptologist, 1873. Deaths: Johann Christoph Friedrich von Schiller, poet and playwright, 1805; Joseph Mallaby Dent, publisher, 1926. On this day Colonel Thomas Blood, adventurer, attempted to steal the Crown Jewels, 1671; a fire broke out at the Empire Theatre, Edinburgh, killing the Great Lafayette, illusionist, nine of his company, a lion and a horse, 1911; Britain's first laundrette opened in Queensway, west London, 1949. Today is the Feast Day of St Beatus of Lugern, St Beatus of Vendôme, St Geronimus of Cervia and St Pachomius.

Lectures

National Gallery: Kathleen Adler, "Spring Chickens (II) Seurat, *Bathers at Asnières*", 1pm.
National Portrait Gallery: Jonathan Stephenson, "Sir William Henry Perkin (1839-1907): synthetic dyes and a new world of colour", 1.15pm.
RIBA Architecture Centre: Sir Thorne Cooran, "The Pulse of a City: the growing 'civic society' in London", 6.30pm.

Receptions

Foreign and Commonwealth Office: Mr Jeremy Hanley MP Minister of State for Foreign and Commonwealth Affairs, was the host at a reception held yesterday at Lancaster House, London SW1, for the Royal United Services Institute, as part of the RUSI seminar, "Cooperation and Partnership for Peace: a contribution to Euro-Atlantic Security into the 21st Century".

Receptions

The Pilgrims: Professor Sir Gilles France, Director of the Royal Botanic Gardens at Kew, received the guests at the Pilgrims' Spring Reception held yesterday at the gardens, in Kew, Surrey. Mr Robert Worcester, Chairman,

also spoke. Dr Shirley Sherwood gave a guided tour of the gardens and botanical art exhibition.

Dinners

Air Force Board: Air Chief Marshal Sir Michael Graydon, Chief of the Air Staff, presided at a dinner held yesterday evening by the Air Force Board Standing Committee, at RAF Bentley Priory, to mark the retirement of Air Chief Marshal Sir Michael Stear, Deputy Commander-in-Chief, HQ Allied Forces, Central Europe.

Institute of Materials: Sir Ronald Mason, President, presided at the Annual Dinner of the Institute of Materials held yesterday evening in the Great Room at Grosvenor House, London W1. Mr Brian Moffat and Professor Brian Reader also spoke. Sir Ronald presented the Bessemer Gold Medal to Mr Brian Moffat, the Platinum Medal to Professor D. West, the Griffith Medal to Professor A.J. Kinloch, and a Certificate of Honorary Fellowship to Dr D. McLean.

Chatham Dining Club: Sir Robin Butler was the principal guest at a meeting of the Chatham Dining Club yesterday evening at the Sir Ermin's Hotel, London SW1. Mr Tharman Ricketts was in the chair.

Foundation for Science and Technology

Lord Butterworth was in the chair at a Foundation for Science and Technology lecture and dinner discussion held yesterday evening at the Royal Society, London W1. Mr Kenneth Bagnall QC, Maj-Gen Edmund Burton and Professor Ray Harris spoke on "Property Harnessing the Information of the Future. Can We?"

High Sheriff of Greater London

Sir Cyril Taylor, High Sheriff of Greater London, was the guest at the Sheriff's Breakfast held yesterday at the Savoy Hotel, London WC2. Field Marshal Lord Bramall, Lord Lieutenant of Greater London, Lady Bramall, Lord Taylor of Gosforth, Lord Chief Justice, and Mr Martin Jiggins, Deputy Lord Mayor of Westminster, were among the guests.

Coningsby Club

Mr Michael Heseltine MP Deputy Prime Minister, was the guest of honour and speaker at the Butler Lecture held yesterday evening by the Coningsby Club at the Carlton Club, London SW1. Mr Peter Brooke MP, President of the Club, presided.

ROYAL ENGAGEMENTS

Prince Edward, Tinsley, the Duke of Edinburgh's Award, attends a dinner for the Award given by International Petroleum Exchange at Marlborough House, London SW1. The Princess Royal, President, the Princess Royal Trust for Carers, visits North Tyneside Carers Centre, Neptune House, Walsend, Tyne and Wear at Patron, Naval Association of Citizens Advice Bureau, visits Scotland and District Advice and Information Service, Stroud, Gloucestershire. The Princess Royal, President, the Princess Royal Trust for Carers, visits North Tyneside Carers Centre, Neptune House, Walsend, Tyne and Wear at Patron, Naval Association of Citizens Advice Bureau, visits Scotland and District Advice and Information Service, Stroud, Gloucestershire. The Princess Royal, President, the Princess Royal Trust for Carers, visits North Tyneside Carers Centre, Neptune House, Walsend, Tyne and Wear at Patron, Naval Association of Citizens Advice Bureau, visits Scotland and District Advice and Information Service, Stroud, Gloucestershire. The Princess Royal, President, the Princess Royal Trust for Carers, visits North Tyneside Carers Centre, Neptune House, Walsend, Tyne and Wear at Patron, Naval Association of Citizens Advice Bureau, visits Scotland and District Advice and Information Service, Stroud, Gloucestershire.

h Kelsall

news analysis

Family Fortunes

Can the Sainsbury family see off the toughest competition it has ever faced? **Paul Valley and Nigel Cope** report

Rags to riches and back in two generations, goes the old City adage. You get the general idea: enterprising father builds business, son gently dissipates the inheritance, and the grandson finishes the job by throwing it all away. Moral: beware of investing in dynastic companies run by the third or fourth generation.

There are plenty of exceptions – bankers like Rothschild or grocers like Sainsbury's. At least until yesterday. Sainsbury's, for generations purveyors of quality groceries to the middle classes, posted its first slump in profits since it became a public company, with earnings tumbling to £712m last year compared with £809m the year before.

Is the faded family dynamic finally asserting itself within what was once Britain's largest food and wine retailer? "Was" being the operative word. Tesco, the erstwhile cheap and cheerful "pile it high, sell it cheap" grocer to the plebeian classes, has acquired style and last year stole the Sainsbury crown as the UK's largest food retailer.

Certainly the burden of the generations weighs heavily on the shoulders of chairman David, the sixth Sainsbury to run the company since it was founded in 1869. Every morning he walks along the corridors to his office on the fourth floor of the firm's headquarters in central London past the busts and portraits of his forebears, four generations of grocers who created Britain's most powerful commercial dynasty from the foundations of a single shop in Drury Lane.

He may be Britain's richest person, apart from the Queen, but his every commercial move is watched over by his uncle John, Baron Sainsbury of Preston Candover, who was chairman of the business from 1969 to 1992. Though officially retired, he maintains an office on the sixth floor from where, as joint president of the company, he is said to monitor and sometimes question the moves his successor makes in what has turned out to be the most traumatic period in Sainsbury's 127-year history. Insiders report shouting matches.

The firm yesterday blamed the fall in profits partly on the £48m it had to shell out to convert the Texas do-it-yourself stores it bought more than a year ago into its own Homebase format. But the City's verdict was more wide-ranging. The company is a victim of its own arrogance, said Robert Clark, director of the marketing analysts Corporate Intelligence. "Sainsbury", he said, "has been like a supertanker, wallowing in its own wake, unable to turn round."

"It's serious," said Dr Terence Gourvish, director of the Business History Unit at the London School of Economics. "They have lost their first-mover advantage of producing for the middle-class market. They are reaching a point where they must have a serious reorientation."

For generations, Sainsbury's has been the place where the English Home Counties' middle classes bought their groceries. (Stores in Wales and Scotland opened only relatively recently.) In its early years, when other grocers were cluttered and often insanitary, the one started by Mary Ann Staples, who had grown up in a dairy business, and John James Sainsbury, a hardware merchant and grocer, was distinguished by its cleanliness, order and high-quality produce.

Over the years it became an institution which was respectable yet innovative. During the First World War, when fresh food was scarce, it pioneered its own-label jams, spices and pot meats. In the Twenties, it established branches along the new suburban railway lines. It maintained service with mobile shops when its branches were destroyed in the Blitz. It opened the first self-service store, modelled on America's burgeoning supermarkets. By 1955, it had opened the largest supermarket in Europe. Warehousing was computerised in 1969; the first supermarket petrol station was opened in 1974; Homebase home and garden centres came along in 1981. It was at the forefront of bar code scanning technology, and its exotic new products, from strange fruits to fromage-frais, helped to transform the diet of the English family and left its rivals struggling to keep up. Hand in hand with all this went a concern for good relations with its staff and the community.

When David Sainsbury took over as chairman in 1992, he was in stark contrast to his predecessor. Lord Sainsbury had been an autocrat, feared and yet respected as "a man with a gut instinct for the grocery business". He ruled through rigid lines of command, with power concentrated in the hands of an inner sanctum at the top of the company. David Sainsbury is different. "He is a diffident, cerebral man with passions outside supermarkets," said one insider. An old Etonian who lives modestly in Notting Hill, his hobbies include plant biology and politics – he is patron of the Social Market Foundation and a friend of David Owen. If he had not been born a Sainsbury, it would never have occurred to him to become a grocer.

Since he took the helm, Sainsbury's shares have slumped from 579p to 372p.

The making of a dynasty

Founders of Sainsbury's

- JOHN JAMES** 1844-1928: Founder of Sainsbury's 1869, Chairman and managing director 1922
- MARY ANN** 1849-1927: Founder of Sainsbury's 1869

The first generation

- JOHN** 1871-1956: Company service 1885-1938, chairman 1928
- GEORGE** 1872-1964: Company service c1886-c1915
- FRANK** 1877-1955: Company service c1895-1898
- ARTHUR** 1880-1962: Company service c1897-1929
- ALFRED** 1884-1965: Company service 1906-1941
- PAUL** 1896-1982: Company service 1921-1938

Post-war

- ALAN** 1902: Company service 1921-1967, 221-president 1967
- ROBERT** 1906: Company service 1930-1969, 1930-president 1969
- JAMES** 1909-1984: Company service 1926-1974

The Fifties and Sixties

- JOHN** 1927: Company service 1950-1969, chairman 1969
- SIMON** 1930: Company service 1956-1979, deputy chairman 1969
- TIMOTHY** 1932: Company service 1958-1983, MP for Hove 1973, junior trade minister
- DAVID** 1940: Company service 1965-1988, deputy chairman 1988

Timeline of events:

- 1869 Founded by John James and Mary Ann Sainsbury at 273 Drury Lane, London
- 1882 First purpose-built branch opens, at 6 London Road, Croydon
- 1915 John James takes his eldest son, John, into partnership
- 1927 Death of Mary Ann Sainsbury
- 1928 Death of John James Sainsbury
- 1934 Robert Sainsbury (later knighted), father of David, becomes director
- 1934 Staff sickness, insurance, and pension scheme introduced
- 1940 David Sainsbury born
- 1950 London Road store first to be converted to self-service
- 1953 Opens largest store in Europe, in Loughborough
- 1961 Becomes first British food retailer to computerise its distribution
- 1964 First regional distribution centre opens, at Basingstoke
- 1967 Sir Robert Sainsbury steps down as a director, Alan, Lord Sainsbury, steps down as chairman
- 1960s David Sainsbury launches Gatsby Foundation to fund charitable projects
- 1969 John (later Lord Sainsbury of Preston Candover) becomes chairman
- 1973 Public flotation
- 1973 David Sainsbury becomes finance director
- 1974 First edge-of-town store opens, at Colindale Lane, Cambridge, with petrol station
- 1976 First Welsh branch, at Oswestry
- 1979 Sainsbury co-founds Homebase with 75% stake
- 1985 Ian MacLaurin becomes chairman of Tesco
- 1991 David Sainsbury donates £1m to Cambridge University, to help young engineers
- 1991 Sainsbury Wing at National Gallery opens
- 1991 Homebase Spend & Save loyalty card introduced
- 1992 First Scottish branch, at Darnley, Glasgow
- 1992 John, Lord Sainsbury of Preston Candover, stands down as chairman, David takes over
- 1993 David Sainsbury donates £200m worth of shares to the Gatsby Foundation from his personal holding, technically increasing the foundation's worth to about £500m
- 1995 Tesco launches Club Card
- 1996 Card scheme due to be relaunched

under-performing the FTSE 100 index by 48 per cent and the supermarket sector by 28 per cent. Since 1992, £1.2bn has been wiped off the value of the family's 40 per cent holding.

"He has introduced a more consensual management style," one industry observer said. "He asks people what they think, but because of the way Sainsbury was run in the past they are not used to thinking." Others say Sainsbury is trapped in a time-war. "There is something almost Dickensian about Sainsbury's," says Richard Hyman of the retail consultancy Verdict research. "It is class-ridden. Tesco and Asda are much more egalitarian."

These are the firms that have proved David Sainsbury's nemesis. Since Sir Ian MacLaurin took over as the chairman of Tesco in 1973, he has transformed the company from a down-market, discount retailer to the equal of Sainsbury's both in market share and quality. Its marketing and customer service has been judged much cleverer – as was evidenced by the success of its loyalty card, introduced last year, which has doubled its rate of sales growth (now three times faster than Sainsbury's). And Asda became one of the best-performing stocks in the FTSE last year, under Archie Norman's recovery programme, which includes gimmicky promotional schemes such as singles nights, pet stops and broly patrols.

While rivals have been innovating, Sainsbury's has carried on much as before, responding chiefly by engaging in periodic price wars. Terence Gourvish at the LSE explained: "In the age of the two-job family, the trickiest segment is ready-made meals. Marks & Spencer and Tesco have been very imaginative there and Sainsbury's haven't – at least that's the market perception."

Most significantly, David Sainsbury has split the roles of chairman and chief executive, stepping back from the day-to-day running of the supermarkets. The new chief executive, Dino Adriano, who was appointed in January, has disbanded some of the Sainsbury's committees which made decision-making so slow. A new, much younger marketing director, Kevin McCarty, has been brought in from Kingfisher, a new corporate communications director, Dominic Fry, has been recruited from Eurotunnel, a sign that the company feels it needs better "crisis management skills".

Nobody is writing the obituary for Sainsbury's. If it is a family firm in crisis, it is not a crisis of the magnitude of that which has seized the Littlewoods empire since the death of Sir John Moores in 1992, the Fortis group early this year, or the Gucci dynasty, which dissolved after only three generations when an Arab investment company stepped in and settled its global debts.

Parts of the business have flourished in the past few years. DIY has been a great success in the 17 years since Sainsbury's opened its first Homebase store. In North America, it took control in 1987 of Shaw's, a New England supermarket chain, and has steadily increased the number of stores, boosted sales per square foot, and improved operating profit: profits rose 15 per cent in the first half of the last financial year, to \$42m. It has also bought 16 per cent of Giant, America's 15th largest food retailer, and Giant's shares have risen 50 per cent since it took its stake.

But some insiders suspect David Sainsbury's past few years' success has contributed to the neglect of the British food business in the past few years. Why else would the supermarkets have failed to take up the concept of loyalty cards, which were pioneered by Dino Adriano when he was head of Homebase? Its Spend & Save card, held by more than two million customers, has played a large part in its success. Yet the company left it to Tesco to seize the opportunity in supermarkets.

Yesterday, David Sainsbury pledged to be more aggressive and to claw back the ground lost to Tesco and Asda. He admitted that Sainsbury's had made mistakes and had "lost the marketing battle" in which it has been outmanoeuvred by Tesco and Asda. He announced the firm's plan to develop loyalty programmes, which will include a loyalty card and a credit card with add-on financial services that could include a deposit account, pensions, or PEPs. The question must be: has he left it too late?

MP leaves no stone unturned

The Register of Members' Interests could have contained a particularly interesting entry reading something along the lines of "Shepherd, Richard (Aldridge-Brownhills) – occasional income from running the Rolling Stones' box office", had the Honourable Member not passed up a potentially lucrative offer in his youth.

In a fund-raising video celebrating the centenary of the London School of Economics, the college turns to its rich and famous alumni for their memories. Shepherd recalls his then fellow student Mick Jagger approaching him about a forthcoming gig. "He put a proposition to me: why don't I put up £40 and take all the money at the door?" Proudly revealing how with it he was, Shepherd asked him if, in fact, he meant to say "fig", and later, seeing Jagger eating in the refectory with the rest of the Stones, advised him not to "consort with those types of persons". He goes on and explains his unfortunate career decision. "I am not a pop entertainer. I had to go for the next best thing, a backbench Conservative MP."

Jagger, who dropped out after one too many accountancy exams – well one, actually – recalls meeting the future Euro-sceptic MP in 1961. But his memory of the incident is less clear. "Richard Shepherd tells a good story," he laughs. "He claims I offered him £40 of the gig money. Why would I give Richard Shepherd £40? Maybe it's true."

Well, he might be available again this time next year.

Professor Eno turns the tables

Richard Shepherd can be relieved he wasn't at college with Brian Eno, musi-

DIARY

cian and composer, producer of David Bowie, multi-media artist and visiting professor at the Royal College of Art. Eno's diary of his life in 1995, which is published next week, eschews diplomacy – for example, "Elton John looked very down and his claim that 'There's life in the old dog yet' made you think there wasn't much." At the launch of his diary next week in a Royal College of Art lecture theatre, Eno and his publisher, Faber and Faber, are holding a two-way press conference. "It is your chance to question Eno," said a Faber spokeswoman, "after which he and his multi-media and graphic design students will be questioning you about press conferences."

Action replay for Redwood

"Action Not Words" is the title of the uplifting title of John Redwood's continuing manifesto, or more officially booklet, of his speeches, published yesterday. The speeches, I have no doubt, are utterly original. The name of the booklet, I have to inform Mr Redwood, is not.



"Action Not Words" was the title of Edward Heath's election manifesto in 1966. Sir Edward and Mr Redwood are not natural soulmates, either politically or personally. Indeed, I recall Sir Edward being rather rude about Mr Redwood when the latter challenged John Major for the party leadership. So I can only assume that Mr Redwood's decision to use the same title is not so much a gesture of solidarity as an admission that he was not a youthful campaigner back in 1966.

Memoirs of a survivor

The same phrase, "Action Not Words", could well be a suitable title for the autobiography of Steven Norris, the transport minister, whose string of girlfriends, following his separation from his wife, featured in the press the week before John Major announced his "back to basics" initiative. "Remarkably, he remained a minister" (the phrase is his publishers' on their blurb, not mine).

His autobiography, still untitled, will be published by Hutchinson in October. The publishers say he will deal not only with his private life but discuss personalities, including John Major, Michael Heseltine and Michael Portillo, "with a frankness rare in political memoirs". Looks like October may not be the time to have an election campaign.

Strummer's lament

If violas are the joke instruments in a symphony orchestra, and drums in a rock band, it seems that banjo players have a tough time everywhere else. Roger Slater from Malvern offers: "What's the definition of an optimist? A banjo player with an answering machine."

Eagle Eye

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THE INDEPENDENT

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Whitehall back to bad habits

Until recently the present Government had a legitimate claim to be the most open administration since the First World War. Not much of a claim, perhaps. But one of John Major's most attractive instincts had been his wish to move away from that closed, anally-retentive Whitehall culture which, inherited from Labour, Margaret Thatcher made tighter still. Thanks to him, we know more about our secret administration, notably Cabinet committees: the flow of official information has widened and deepened. Even the Treasury now has a home page on the Internet. Most famously, the Prime Minister (perhaps he had little choice) gave Sir Richard Scott generous terms of reference for his investigation of the "arms to Iraq" imbroglio.

But before Sir Richard had got far, the skies above the Major government were clouding over. And since Sir Richard reported, it seems that British government is reverting to its nasty habit of attempting to rule in private. It is as if Sir Richard's report never was. After the Government won in the House of Commons and Sir Nicholas Lyell, William Waldegrave and accomplices escaped censure, the report has been buried. Sir Richard was summoned to answer MPs' questions yesterday. He might legitimately have turned tables and demanded of them: "What changes have you sought in the operations of the state that would guarantee you - legislators, custodians of the public interest - are not again going to be hoodwinked by slippery ministers and their morally perturbed civil servants?"

Were there really no lessons from Scott for the conduct of government? Where is the committee of current and former permanent secretaries that Sir Robin Butler ought to have convened to consider the report's significance for officialdom? Where are the new Civil Service College courses on ethics, lying and parliamentary accountability? Where, indeed, are the orders and new legislation he recommended, the thoroughgoing reform of export licensing he asks for, the clarification of the legal powers of Customs and Excise, the Whitehall re-engineering he implicitly endorses?

The question is no sooner asked than

answered. Do we really expect those MPs questioning Sir Richard to be shining knights of open and more honest government when they cannot even muster themselves and hold to their own rules on declaring their outside interests? Their own regulator, Sir Gordon Downey, might as well resign, for all his effectiveness. The day a motion of censure condemns David Mellor, Sir Edward Heath and those other paladins of outside earnings, that'll be the day that the House of Commons gives in earnest of its intention to begin the process of parliamentary reform.

And if that is utopian, surely our parliamentarians can stand up against the executive arm of the state on behalf of one group who are among the most vulnerable to abuse of state power: prisoners in jails. Imprisonment, even justified commitment to a harsh penal regime, does not rob individuals of elementary rights to care and due process. The Government itself accepted as much when it established, two years ago, the first ombudsman for prisoners. In that role, Sir Peter Woodhead has performed creditably. Yet he is now on the point of resignation because the Home Office and its prison administration obstructs him at every turn.

It is as if government ministers did not understand the meaning of the word "independent" - a notion that they all too ready to bandy around when it suits them. We are told that the regulators of the utilities and the lottery and the railways are independent. Yet it seems that the Monopolies and Mergers Commission works with one eye firmly fixed on its political masters, to second guess their intentions. We are assured that Lord Nolan's strictures on appointments to quangos will be followed because the Government too believes in merit and independence. Yet when the Government appoints ombudsmen, it seems to swiftly and skillfully marginalise them.

An open government has no fear of ombudsmen. It relishes the independence of its appointees. More open government was once one of John Major's proudest boasts. It could yet be a rallying cry for an anti-statist new Conservatism. Mr Major is turning his back on open government. He should look to his laurels.

A gelatin victory, but we're still stuck

Britain's jellymakers have cause to feel a little more jolly. The EU commissioners decided yesterday to recommend lifting the ban on certain British beef by-products - gelatin, tallow and semen - so long as they are processed according to strict guidelines. But we are still a long way from a return to a flourishing beef trade.

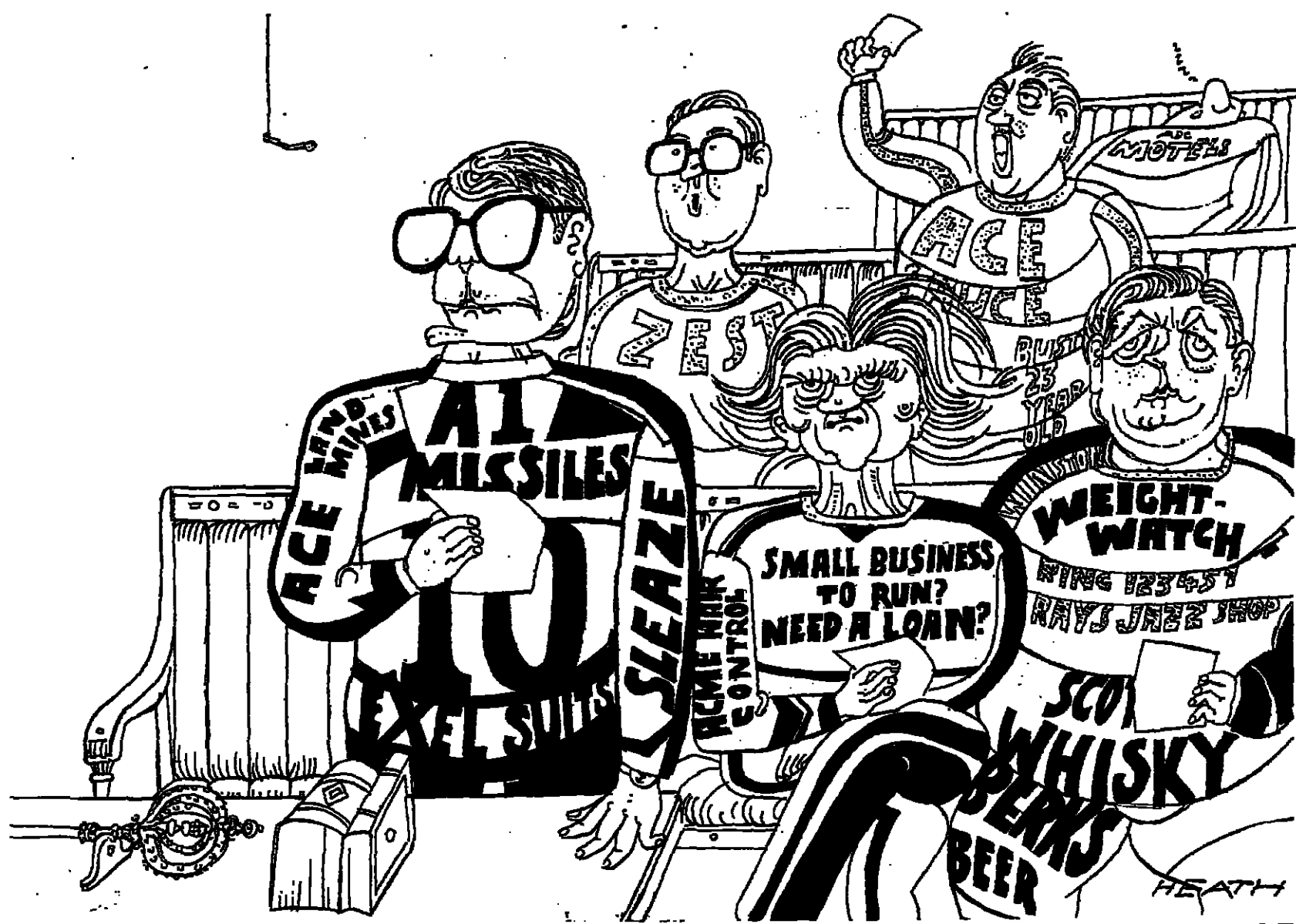
For a start, Germany has said it does not want the ban lifted on any beef products at all. That is a problem because Britain will need a majority of votes among member states to get the gelatin ban lifted at the forthcoming meeting of EU veterinary experts. Despite the agriculture minister Douglas Hogg's promise to call all cattle aged over 30 months, there is no sign that the EU will allow other beef products off the island.

The Government may have legitimate complaints about the way some in Brussels have handled the crisis. An opportunity to show how the EU might help a struggling British industry has been turned into a field day for Euro-sceptics. Yet the fundamental problem, and its solution, still lies in British fields and cowsheds.

That is where the job of reassuring consumers must start and continue.

The scientific case for lifting the ban on some by-products sounds persuasive. The World Health Organisation recently concluded that gelatin was safe, because the intensive heat treatment used in manufacturing would kill off any infectious element in the meat. British gelatin, however, comes from a herd of cows in which about 200 cases of BSE are reported each week.

If the Government is to have any hope of persuading our European partners to start eating British beef again, it will have to do more to convince consumers that British herds are BSE-free. Culling elderly cattle is not the answer. While cows over 30 months may be most likely to show symptoms of the disease, their younger sons, daughters and siblings could still be incubating BSE. The Government is foolish not to agree to the practice followed in other countries of wiping out herds with BSE, then restocking them from scratch. Until they draw up a strategy to put the industry on a new footing, the Government and the farmers will still find it hard to win support in Brussels.



LETTERS TO THE EDITOR

Who should pay for care of the elderly?

Sir: The usual combination of tireless lobbying and a pending election has finally provoked the Government to take seriously the plight of elderly people forced to impoverish themselves to pay for long-term care ("Pension deal aims to protect assets", 8 May).

The brief debate in the House of Commons regrettably, but predictably, became a "tax on the elderly" knockabout with all the usual arguments about which party costs the taxpayer less. Unless we are proposing to deny care to the elderly and frail - the logical conclusion to the low-tax argument - then the big question is not "do we pay for care?" but "how do we pay for care?"

The Government states categorically that the responsibility for financing care lies with individuals, yet by encouraging those same individuals to insure themselves for care costs, they implicitly accept that a collective approach is both fairer and more efficient.

Insurance, after all, is based on the principle of pooling risk and

sharing cost, rather than assuming a potentially catastrophic risk on one's own.

The coming decades will see the ratio of people of retirement age to those of working age rise significantly. Such a shift requires a serious debate now if we are not to experience both a public expenditure and a care crisis in the future.

ARCHY KIRKWOOD MP
(Roxburgh and
Berwickshire, Lib Dem)
House of Commons
London SW1

The writer is Community Care spokesman for the Liberal Democrats

Sir: The plans of Stephen Dorrell, the Secretary of State for Health, to encourage the elderly towards provision for the cost of their own care may spur members of younger generations into action while they still have time and money; but Mr Dorrell offers no comfort to those already requiring care, or on the brink of such need. For them, time and money have run out.

My wife has been in hospital since suffering a major stroke two years ago. She will require round-the-clock nursing for the rest of her life, but new and stricter guidelines, published last month, and a long-running programme of bed closures, threaten the security of those who, until a few years ago, would have continued to receive in-patient care from the NHS. In my 65th year, I am unemployed, arthritic and with a heart problem. What philanthropic insurance company is going to take us on?

After combined working lives of around 80 years, my wife and I believed that we had paid our dues by way of National Insurance contributions and income tax, but now the policy appears to have been cancelled. Is this a fair deal? Or must we regard ourselves simply as members of a lost generation, to be written off by the Government as a wasting asset?

PETER ORR
Guisborough,
Cleveland

Sir: As a senior software engineer working for a major computer network company, I read with astonishment the statement "but even computer games will build up keyboard skills" in your article "Britain leads way in PC world" (2 May).

When I conduct job interviews I am not impressed by candidates who boast of creating World Wide Web pages. Computer literacy has nothing to do with playing games, using word processors, or "surfing the Net" - it is not about computers. Computer literacy is the ability to analyse situations, flexibility of thought, confidence in intuition and an interest in learning from experience. Teaching children information technology "skills" is useless unless you teach these characteristics to support them. Schools should forget spending money on expensive computers and spend it instead on more teachers to keep class sizes down and on teaching children to think.

STEPHEN READ
Oxford

Net surfing' is not a computer skill

Sir: It is a pity that you gave no source for the "research" that shows "strong links between guns and high crime rates" ("Government to resist calls for firearms ban", 2 May), because the figures in your chart are hardly correct.

Switzerland has a population of about 7 million people who own approximately 5 million guns, 600,000 of them assault rifles. This represents rather more than the 15 per cent of households in the chart.

No one really knows how many households contain guns in the US, but the 1990 population of 248,710,000 and the 1993 figure (source: FBI) of 16,189 murders by firearms give a rate of 65 per million. However, it is not true to say that the US has lax gun laws.

PETER BROOKESMITH
Kensington Rifle and
Pistol Club
London W14

William Morris's socialist dream

Sir: A pity Jonathan Glancy (Weekend, 4 May) revives the old right-wing myth that William Morris wasn't a Marxist. From his later writings and actions it is quite clear he believed his dream could only be realised through replacing capitalism by socialism, and that this meant mass struggle against those holding wealth and power.

As J Middleton Murray wrote in 1932: "Morris's socialism was completely realistic, as realistic as Marx's socialism, for the simple reason it was Marx's socialism."

Morris enriched scientific socialism in two distinctive ways. First, he put it over in strong, simple English free of German-style jargon. Second, he taught that the quality of life is far more important than the standard of living. He knew happiness depends not on consuming more and more shoddy things but on cherishing a few beautiful and useful objects, and above all on having interesting and fulfilling work.

DAVID GROVE
Holt, Norfolk

Holy addendum

Sir: A little footnote to your article, "Holy war: the battle of St Stephen's" (6 May); TS Eliot was the church warden of St Stephen's, Gloucester Road, for many years.

ANDREW R WHITE
Lynton,
Devonshire

Baffled by single currency

Sir: Your story "Furds rack Tories as poll defeat looms" (2 May) shows that people in the UK are still very uncertain about the European single currency. They don't want to commit themselves now, but neither do they want to rule it out.

On one reading, this could be put down to a thoughtful "wait and see" attitude, with concerned citizens sagely discussing the pros and cons. But if you put your story side by side with a survey that the European Movement carried out in January, what emerges is a more believable picture of simple bafflement.

In our poll, two out of three Britons said they did not know enough about the single currency issue to vote confidently on the issue in a referendum. And again, over 60 per cent wanted to keep options open. This was despite the fact that people had heard more of the arguments against the concept than those in favour.

The subject has a mirage-like quality. Although it appears to be a hot topic, the substantive arguments are rarely discussed. How many people, for example, know that British interest rates are higher than Germany's and would be lower if we were part of a currency with less of a record

DAVID VIGAR
Director of Communications
The European Movement
London SW1

No logical link between guns and crime

Sir: It is a pity that you gave no source for the "research" that shows "strong links between guns and high crime rates" ("Government to resist calls for firearms ban", 2 May), because the figures in your chart are hardly correct.

Switzerland has a population of about 7 million people who own approximately 5 million guns, 600,000 of them assault rifles. This represents rather more than the 15 per cent of households in the chart.

No one really knows how many households contain guns in the US, but the 1990 population of 248,710,000 and the 1993 figure (source: FBI) of 16,189 murders by firearms give a rate of 65 per million. However, it is not true to say that the US has lax gun laws.

PETER BROOKESMITH
Kensington Rifle and
Pistol Club
London W14

Nationalism in the Home Counties

Sir: Andrew Marr ("Beef isn't the burning issue", 7 May) notes that withdrawal from the EU would "represent the triumph of a style of conservative English nationalism" and rightly suggests that this would probably lead to the secession of Scotland from the UK.

The nationalism he identifies would be more accurately described as south-eastern English nationalism; its underpinning is the City financial complex and the aptly named Home Counties.

It is resented not only in Scotland but also in Wales, the north of England and the West Country. This sort of nationalism is likely to lead to the disintegration of the British state itself.

SIMON PARKTRIDGE
London N2

A curse on Raleigh

Sir: Martin Kelner refers to John Lennon's song "I'm So Tired" as something of a paean to the cigarette (Section Two, 7 May) but neglects to mention Lennon's lambasting of the man widely acknowledged for introducing the weed to these islands: "And curse Sir Walter Raleigh, he was such a stupid git".

CONRAD WILLIAMS
London NW3

Revealed: what I pay my MP friends

It has been quite an inspiration to us to watch the way MPs have come forward to declare their sources of income, and the way they have unhesitatingly given just about as much information as they think they can get away with. But I don't see why MPs should be the only ones to have to do this, so as a public duty I am going to come clean today myself and reveal just how much money I am paying Members of Parliament on a regular basis, and what I am paying them to do.

Sir Edward Heath: For going on television and radio at a moment's notice whenever Europe is in the news to bore us all silly and thus get the topic out of the headlines again; for standing by in case Margaret Thatcher should make a bid to get back into power and if necessary hit her with his handbag; for working on his new book *The Joy of Europe* and for promising not to complete it; for agreeing not to conduct in public ever again - £5,000 per week.

Michael Heseltine: For agreeing not to make his final push for power and topple John Major from office until I give him the say so - £5,000 per week.

David Mellor: For undertaking to act as consultant to various large compa-



MILES KINGTON

nies such as British Aerospace, and giving them the impression that the information he is giving them is not a lot of twaddle; for undertaking not to churn out more than five articles a day on opera and Glyndebourne, and for undertaking not to go on air about football, opera, etc, etc - £5,000 a day.

Note: as Mr Mellor has signally failed to abide by any of these undertakings, he has not been paid anything by me for two years.

Tony Blair: For acting as a consultant to this column on Christian matters - £500 per week.

John Prescott: For acting as consultant to this column on the love and language of the middle class - £300 a week.

Tony Benn: For acting as consultant on upper-class mores - £600 a week, paid to socialist charities.

John Major: For agreeing to adopt my suggestion of behaving at Prime Minister's Question Time as if he were the pub bore in some interminable bar-room conversation - ie, by leaning up against the dispatch box on one elbow and looking round him with an ineffable grin of self-satisfaction and thus destroying all credibility that he might otherwise gain from what he is actually saying; also, for agreeing to delay his dismissal of Mr Heseltine as Deputy Prime Minister and thus spiking Mr Heseltine's ambitions for all time until I give him the say so; also, for letting me exclusively have the date of the next general election, ie, John - £40,000 a week in cash.

Malcolm Rifkind: For agreeing to go to a speech therapist to get that strangely Scottish accent straightened out - £500 now, £5,000 on completion.

Rupert Allason: For various spying and intelligence jobs - £50,000 per annum.

Roy Hattersley: For acting as a consultant to my forthcoming sensational exposé television drama set in the House of Commons, entitled *There's no such thing as a free lunch especially when Roy Hattersley is one of the number and is going for the full menu* -

£7,000 a year in luncheon vouchers.

Norman Lamont: For consistently getting cushy consultancy jobs with all the best people, and for equally consistently failing to get selected for any consultancy anywhere as a Tory candidate, and thus demonstrating to all but the most cynical that you don't even have to be an MP to get cushy consultancy jobs with all the best people - £5,000 a week.

Brian Marwhinney: For giving pleasure to a lot of people by agreeing to be spattered by egg and paint by my operatives; for insisting on being addressed as Doctor, and thus sounding about as authentic as his countryman Ian Paisley; for giving a lot of people a lot of pleasure by sounding absolutely convinced that the Tories are going to win the next election and that they want to win it - Equity rates.

My thanks to all these and many more for accepting money so unquestioningly. Full list of MPs in my pay on application.

Yesterday, due to a rush of blood from the head, I referred to Radio 3's excellent jazz presenter as Mel Smith. This should, of course, have been Mel Hill.

Fraud
against
EU top
£500m

Westminster's mirror to the real UK

The register of MPs' interests reveals a Britain of do-gooders, consultants and fat-cat journalists

It is a failure of character, doubtless. Just as some sad people pore with fascination over old railway timetables and others hunch intent on minutely memorising *Widsen*, so I find what MPs do in the apparently spacious acres of their spare time fascinating. In the new social calendar, few events are more thoroughly enjoyable for political nuts than the annual publication of the Commons' Register of Members' Interests.

There have been many columns written about the question of parliamentary "interests" - what should be banned, what declared and why certain MPs refuse to participate. In the post-Nolan era a battle will now ensue between the press and some parliamentarians about their duty to be frank. But that has become familiar enough. Today I want to try a different tack and ask what the register says, not about individual MPs, but about Britain in 1996.

Some people will object that it says nothing at all about "Britain", only about the 600-plus members who designed to fill in the forms. But this is wrong. True, MPs do not comprise a sample of the nation - they were chosen by party caucuses and the wider electorate, not by polling organisations. They are mostly male and middle class. But they are representative in a different way. However cross we may be with them from time to time, they are our elected representatives. They have fought their way up and claim to speak for us. Their interests and self-image are a very distorted mirror of the nation, true. But this mirror's pitted, bumpy reflection is worth squinting back at, even so.

Let's start with the best part of the reflection, which is that there are a remarkable number of unpaid and voluntary acts of charity work recorded here. There are lines and lines of unpaid directorships of companies restoring old housing or helping people with learning difficulties, of charity work on behalf of everyone from the obese at home to the starving abroad; and of trusteeships of everything from opera festivals to campaigns for the Brighton Pier.

No one talks about it. But it's there, alongside the fat-cat directorships and the headlines about sleaze. Some of the voluntary work is, no doubt, money do-goodery. But a lot is just the doing of good. Not all MPs are cynical. Not all the cynical ones are all cynical. In that the register is a useful mirror, for Britain remains a country pulsating with quiet voluntary activity.

What about those other organisations for mutual self-help, the trade unions whose sponsorship of Labour MPs is another of the most regular features of the register? Should we exclude them on the grounds that they are a political relic? The Labour modernisers would prefer that the subject became unmentionable in polite society. They would prefer a more genteel source of party funding - such as the general taxpayer.

But the array of Unison, Usdaw and GMB sponsorship for local parties in the register is worth recording. If only as a reminder that, however bristly metropolitan Britain has dismissed trade-unionism as an irrelevance, 9 million Britons are still trade-union members. Even after casualisation, contracting-out, "the end of the job" and all that, 36 per cent of employed people are in a union.



ANDREW MARR

Almost every MP who isn't a consultant is a columnist for someone

What else? MPs travel both more than most of us and to odder places. Few private citizens are sent plane tickets by the Greek Cypriot Brotherhood, the Provincial Grand Orange Lodge of Ontario East, or the People's Assembly of Syria. Thomas Cook this isn't.

In some respects, the popular prejudice about MPs' junkies is amply born out: few financial systems and refugee camps have benefited from such gratifyingly close attention as those which happen to be situated in the Cayman Islands. But MPs' travels do have some wider messages about Britain in 1996. Among the most frequently visited countries, Germany ranks very high and Italy, often because of German-sponsored political conferences, is popular too.

Reading through the register you come across many references to the Konigsplatz conference; to visits to Munich to discuss Rover cars with BMW or to attend the Wehrkunde conference; to the Friedrich Ebert

Stiftung and the Konrad Adenauer Foundation. That partly reflects the wealth of the big German political foundations. But, insofar as it also reflects a country with increasing German links - not something you'd discover from most newspapers - the register's distorted mirror doesn't lie.

Looking hard, you can find more clues about our recent economic history. There is the odd, forlorn-sounding one-liner: Labour's Doug Henderson records his involvement in "Ossian Economic Services Ltd (no income)". Neil Hamilton, the Tory who helped back a former colleague, records: "Cottonrose Ltd, clothes retailer - no dividend ever received." Add in the numerous references to Lloyds ("resigned") and you begin to get the message; these have not been golden years.

How, then, might this Register Nation of taken-over manufacturers and struggling traders be earning its living today? Here, readers prone to depression or anxiety attacks should break off and head south-west to Miles Kingston. For the truth is that we seem to be becoming a nation not of sheepkeepers but of consultants. Among the MPs are consultants to leisure companies; consultants to recruitment consultancies; consultants to management consultancies. Here a consultant, there a consultant...

The relatively obscure Labour MP George Howarth turns out to be a "consultant" to Coopers & Lybrand "on global economic and financial issues". One Tory MP is a "consultant" to a company specialising in document management. An emblematic MP in this respect is Sir Patrick McNair-Wilson, who is a public relations con-

sultant to a "surface coatings" company and a director (I kid you not) of "Ferret Public Relations."

Now, what is alarming about all this is that it corresponds so closely to one's perception of what is happening to the country beyond Westminster. Almost everyone seems to be a consultant these days, advising other people on something slightly difficult to pin down. One half expects to see, some years hence, a single paragraph in the *International Herald Tribune* reading: "The United Kingdom was unavailable yesterday. Everyone was in a meeting."

Even now, the country seems divided into three main groups. There are the honestly and officially unemployed. There are the consultants. And then, according to the register, there are... well, the journalists.

The highest-paid of those MPs who designed to register their employment is Roy Hattersley, who makes well over £100,000 from his journalism. But he is only the most successful of a vast and growing army of scribbler-politicians. Almost every MP on the register who isn't a consultant seems to be a columnist for somebody, a freelance journalist or a broadcaster.

A strange crossover is taking place. As real journalists lambast the parliamentarians and attempt to set the political agenda themselves, so the politicians are hitting back by turning themselves into journalists. Why not? Journalism is often better-paid, easier and just as influential as the life of the backbench MP. And we have one great advantage: with the exception of the press gallery, journalists don't have a register of interests for the rest of the country to mock.

comment

Our God-given dominion

A prize-winning evangelical scientist is preaching a new green theology, says Andrew Brown

Richard Dawkins, probably the most famous atheist in Britain, bases his argument against God on the truth of evolution. So it can come as a shock to realise that there are other scientists, quite as committed to evolution as Dawkins is, who have no difficulty with Christianity.

One of the most distinguished is Sam Berry, professor of Genetics at University College London, who will today be given a cheque for £3,000 as winner of one of the British Ecological prizes for progress in religion. Sir John Templeton, the millionaire American stockbroker who each year gives a prize of £700,000 for progress in religion globally, also gives a whole network of smaller prizes here and in America.

The links between Christianity and evolution are subtle and complicated. Despite the fact that Darwin died an atheist, and one of his chief opponents was a bishop of Oxford known as "Sonpy Sam", there have been plenty of Christians, especially Anglicans, to embrace and defend the theory of evolution. Few Christians in this country hold to a doctrine of the literal truth of the book of Genesis, and for those who do, the findings of geology are at least as disturbing as the theory of evolution. The society of ordained scientists, for priests with doctorates in science subjects, has more than 60 members, among them the former Archbishop of York, Dr John Habgood.

Professor Berry points out that RA Fisher, a scientist revered by Dawkins, who brought mathematical rigour to genetics and biology in the middle of the century, was a devout Christian who preached regularly in chapel. Some Christians see evolution as a theological advantage, in that it seems to relieve God of some of the direct responsibility for the horror of the world: if His purpose was to create beings with free will, they argue, then such things as the struggle for existence between the Aids virus and human beings may have been necessary.

Professor Berry is reluctant to go that far, or to draw any large theological conclusions from his scientific knowledge. He is a sturdy, brick man with a short white beard who speaks in sudden bursts. He is one of the most confident doubters I have ever known, in the sense that he is extraordinarily forceful about refusing to draw conclusions that he does not see warranted by the evidence.

However, evidence for God's existence must, he thinks, be of a different sort to evidence for scientific theories. He himself was converted to evangelical Christianity at a boys' camp in his late teens, shortly after the death of his father.

"You can get a glimpse of God's tactics, but not his strategy out of nature," he says. "I would accept that it is God's world. Natural selection is the method that seems to operate in nature. If you assume that God is operating in nature, that is the method he uses. It may seem to us a slightly daft method, but our ways are not his. That's called faith."

"You can't prove God's activ-

'In Genesis, we are given responsibility for looking after the rest of creation'

ity from nature, though you can get some clues to it. You have got to read both the book of nature and the written book - the Bible. Dawkins neglects entirely half the data, which is the written word."

It is from the Bible that Professor Berry concludes that all Christians have a responsibility to be Green.

"In Genesis, we are specifically given responsibility for looking after the rest of creation. That is the theology of the environment. The word 'dominion' in Genesis has been gloriously misinterpreted. That dominion is given wholly to us as individuals made in God's image - he has made the world, handed it over to us, and said 'look after it'. That, to me, is much more important doctrine than all this farting about with evolution, creation, and all the rest of it."

This has been a controversial viewpoint in Evangelical circles. Fundamentalists are notoriously too excited by the possibility of Jesus's return to worry much about what happens to the world before then. Even moderate evangelicals have an extraordinary paranoia about anything that can be labelled "New Age". But things are changing.

Professor Berry has got 90 prominent British evangelicals to sign a declaration committing their churches to environmentalist values. In fact, he says, he intends to spend part of his prize on drink for the party to launch this declaration at a London church.

Hail the welfare revolution

Both parties now agree that full public provision for all our needs must end, says Nicholas Timmins

This week the shape of the welfare state changed. Not yet in reality. But in a big way in terms of the ideas that are likely to mould and drive it over the coming decades. On both sides of the political divide, new partnerships, both between the citizen and the state, and between the public and private sectors, are in the making.

Stephen Dorrell's scheme to allow middle England to protect some of its assets from the means tests for long-term care is a new departure - nothing quite like it has been seen before in the 50 years since the Beveridge report. And Chris Smith's twin statements on the role of the welfare state - revolutionary for Labour - have implications that could go way beyond the large but narrow field of the £90bn social security budget.

"We have," Mr Smith said, "a responsibility as a community to support those amongst us who fall on hard times." But, he instantly added, we also have "a responsibility as individuals to make provision in our own lives for those times when we can't earn and support ourselves by doing so."

He coupled that with a statement that the state must act "as the guarantor of all provision, the regulator of all provision" but the administrator only of "some" of that provision. "The welfare state is after all a framework which the Government sets in order to enable citizens to achieve security; it is not a particular mechanism *per se* for delivering that security." Implicit in that is more private provision - both by individuals in terms of insurance and savings, and by the private sector in terms of delivering services.

Take Mr Dorrell's scheme first. Individuals who take out private cover will be able to protect a larger part of their assets, including their home, from the increasingly invasive means tests for long-term care. By allowing individuals to protect more of what they have earned, the scheme should reward thrift, responsibility and self-provision. Mr Dorrell has established a new type of partnership in the welfare state.

What has driven Mr Dorrell's new approach and has started to underpin Labour's thinking, is the ageing population, which is proving ever more costly because of their requirements for health and social care. Meanwhile, there is the problem of how to finance better and longer education for the general population. All of these problems are arising at a time when people are increasingly reluctant to pay higher taxes.

Given, however, that such services still have to be paid for, whether privately or publicly funded, a certain logic then cuts in. Those areas of social provision which can sensibly be privately funded - paid for out of savings and investments for the future rather than out of taxes - should be so funded. And the items best funded are those where the scale of need is broadly predictable, where the impact is time-limited, and where individuals can be shown to benefit directly from their own expenditure.

Thus pensions are a prime candidate for private funding for those who can afford to contribute. So, equally, are parts of education - witness the seemingly inevitable move to some form of graduate tax once Sir Ron Dearing's university review, supported by all the parties,



The first family allowance day, 6 May 1946: now the state is relinquishing its role as the great provider

Photograph: Hulton Getty

reports next summer. So too with Mr Dorrell's plans for social and nursing home care for the elderly. Acute health care of the sort the NHS provides is not suitable for such an approach, however, because needs are neither predictable nor time-limited and because it is highly debatable whether higher private spending at the expense of public spending would actually produce better health care.

Beyond that, it is gazing through a glass with Serps or to use them to wind Serps up, and whether, as Frank Field would like, the taxpayer will put in contributions for those who cannot afford them. Labour, too, for all its over-the-top on-the-day reaction to Mr Dorrell's package, has ideas for partial equity release schemes to help fund long term care.

later repaid by those who benefit through a graduate tax.

The great divide in this recast public/private mix may come over compulsion. This week's announcement, aside, the Government's approach has generally been to cut back public provision - on SERPs, mortgage interest payments, income support and unemployment benefits, to name but a few - but to provide only incentives, no compulsion, for individuals to cover themselves. The risk is that they will then fall back on tax-funded means-tested provision.

If Labour wants to avoid that, while ensuring, in Mr Smith's phrase, that the state remains "the guarantor of all provision", then certainly in pensions and possibly in other areas, Labour may have to compel contributions to whatever new partnership schemes it launches.

The Conservatives will point that as just another tax. But without it, the recast relationship between the citizen and the state may lead only to a more divided society and yet greater reliance on means tests which in the end will cost the taxpayer dear.

Driving Mr Dorrell's new approach and underpinning Labour's thinking is the ageing population

The first step that Labour will take in the direction mapped out by Mr Smith is likely to be an announcement soon that it wants to replace the remainder of Serps, the State Earnings Related Pension Scheme, with a new funded system - in partnership with the private sector. Big decisions on how to do that remain - whether to run the new schemes in parallel

darkly. But we can expect a friendlier attitude to the role of private finance in the NHS. If Labour reaches government it is also likely that it will show greater acceptance of private delivery of publicly funded health and social care. Further down the road, there will be more private contribution to education, perhaps initially funded by the state but

'Dipping flu' is a real illness

ANOTHER VIEW

Margaret of Mar

It was not until May 1992, when I read a short article on "dipping flu" that the association between the dips and my illness was made. I began to realise that organophosphates, used in sheep-dipping, were the cause.

Hundreds of farmers are in the same situation. Many endure a life of same fatigue; muscle and joint pain; chronic anxiety; concentration; language an inability to concentrate; bladder problems; sleep disturbance; bladder incontinence; sensitivity to a wide range of chemicals including perfume, petrol and diesel fumes, chlorine and perhaps worst of

all are the brain disturbances. These include intolerance of noise and bright light, depression, sudden rages and impulsive suicidal thoughts. Whilst organophosphates are designed to work on the central nervous systems of the target pests, we also know that they affect the immune system, so symptoms are bound to be diverse.

Yet the Government insists: "There is no evidence that long-term, low-level exposure to organophosphates can cause chronic ill health in humans". The many farmers who believe their ill health is attributable to exposure to these chemicals have yet to be examined by the Department of Health.

Since 1992, with the support of hundreds of victims and their families and advised by scientists, I have challenged ministers' assertions. We have made some progress in that the Government is funding an epidemiologi-

cal study among sheep farmers, but that will not be complete before 1999.

We need to establish centres of expertise (experts in this field can be counted on the fingers of one hand) where those who are ill can receive diagnosis and treatment and where clinical studies can be conducted. This the Government steadfastly refuses, saying that the expertise is already available nationally. Their experts admit that much more research needs to be done. If I had a choice, I would like to see a moratorium on the use of organophosphates until their safety is proven.

The Countess of Mar is holder of the Premier Earldom of Scotland.

URGENT!

600 grants need to escape from poverty and disease

There are thousands of elderly people around the world, like Bette, pictured here, who need help. But in the last month alone we have heard of 600 who are in desperate need.

Many of these people are frail and destitute. Some are in urgent need of medical attention. Yet most have no families they can turn to for help. And if we don't find 600 sponsors for them - soon some of these grants could die.

For just over £2 a week, you can save a life.

By sponsoring an elderly person in need, you can provide him or her with the basic essentials of life, such as food, clothing and medicine.

What's more, your sponsorship will also support vital projects which will improve life for entire communities.

Most of all, just knowing that someone cares can make a world of difference to an elderly person in need.

To find out more, clip the coupon now and post to:

Mrs. Helen Egge,
Adopt a Granny,
Help the Aged,
FREEPOST,
London EC1B 1JY.

Yes, I'm interested in sponsoring an elderly person. Please tell me what I can do.

Mr / Mrs / Miss / Ms

Address

Postcode

Tel No.

Send to: Mrs. Helen Egge,
Adopt a Granny, Help the Aged,
FREEPOST, London EC1B 1JY.

Or phone
0171 555 0283

Help the Aged
Adopt a Granny
Registered Charity No. 27708

business

Tesco pulls in front but the race is not over yet



COMMENT

'On many measures, Sainsbury's continues to outperform Tesco. It has fewer stores, but it is more profitable, has greater sales per square foot, fatter margins and on some measures is more efficient'

Why is it that the Oxford and Cambridge boat race always springs to mind when discussing the relative ups and downs of Sainsbury's and Tesco? Perhaps it is the dullness and predictability of the race. Or the fact that over the event's 142 years, the two have each won roughly the same number of races. What is certainly true is that the grocery trade has become a race of two competitors in which winner and loser occasionally get reversed, but not often.

Tesco has been winning for at least three or four years now, but there is no doubting the significance of yesterday's profits setback for Sainsbury's, even if it was widely expected in the City. This is the company's first profit fall in 22 years; if proof were needed that Sainsbury's has come badly off the boil, this is it. For so long the pioneer of all that is good in British supermarket retailing, Sainsbury's now seems to be trailing lamentably, following its competitors rather than leading them. Even the nationally available loyalty card, once dismissed by David Sainsbury as no more than green shield stamps in electronic form, is now going to be copied.

For the time being the winning streak belongs to Tesco; its team looks quite unbeatable. But it was not always thus, nor will it always be so. The captain of the Tesco boat, Sir Ian MacLaurin, retires in a year's time and though he leaves an established, relatively young, and undeniably strong crew behind him, once captainless, Tesco may also become rudderless. Furthermore,

amid all the headlines about how Sainsbury's has lost its way, it is easy to forget that this is still a formidable and highly successful company. On many measures, Sainsbury's continues to outperform Tesco. It has fewer stores, but it is more profitable, has greater sales per square foot, fatter margins and on some measures is more efficient. Despite the recent underperformance of its share price, Sainsbury's is, moreover, still bigger in terms of market capitalisation.

David Sainsbury's management style is plainly a very different one from that of his uncle, the man who made the company what it is today. But that doesn't necessarily mean that his more consensus-oriented approach is wrong. It may actually be more in tune with today's much larger company than his uncle's autocratic style. Mistakes have been made, there is no doubt about that. Sainsbury's has failed to stay ahead of the competition. Its tricks have been learnt and copied by Tesco, which has moved on and introduced a few of its own. Furthermore, the company's overseas expansion, choosing the US rather than the Continent, is proving a waste of money.

Most crucially, however, it has failed to maintain its distinctive place in the market - high quality, greater choice, middle class and as a consequence able to charge that little bit extra. These days the customer barely distinguishes between Tesco and Sainsbury's - the most critical factor in customer choice being store location,

size and modernity. No creche? Forget it. Whether this failure to stay aggressively in front of the competition is down to the family dominated, dynastically controlled nature of the company, is anyone's guess. What is certain is that Sainsbury's is not yet so far adrift that it demands the fate that befell Fort. David Sainsbury is chairman by right of birth, true, but his family does still own nearly 40 per cent of the company. Furthermore, there is no evidence of the non-commercial pursuit of grandeur and empire that often characterises second or third-generation family companies. Sainsbury's doesn't yet need a new captain, but it could certainly do with a Dan Topolski to turn its fortunes.

Single currency: It's all a question of timing

Ignore the rhetoric of the Euro-philosophers and the Euro-hysteresis - as the two camps have been aptly renamed - and it becomes clear that a pragmatic consensus about British membership of the single currency is emerging. Eddie George, Governor of the Bank of England, expressed this tendency yesterday. Shadow Chancellor Gordon Brown did so in a speech in Bonn the day before.

It seems an entirely common-sense view. Joining EMU obviously has pros and cons; whether or not it is the best thing for the British economy will depend on circum-

stances at the time. To Euro-sceptics, this is simply avoiding the issue; if the single currency is bad for Britain at some points in time then it is wrong in principle.

This is misguided. Timing is always of the essence in economic policy decisions. There is a clear example of this in the botched decision to join the Exchange Rate Mechanism. If Britain had joined when it was first proposed by the then Chancellor Nigel Lawson, it would have joined a far more flexible system, and would have been able to influence the evolution of the system. Over the next three years the ERM became far less flexible. For a major currency like sterling to join at that point was, in retrospect, a disaster waiting to happen.

Similar arguments apply to the single currency. Joining three or five years after the core group will not be an equivalent decision to joining from the outset. Although there would still be a cost-benefit analysis to be made, the shape of the system would have been fixed already. By taking part in the formation of the Euro, Britain would have a role in shaping it and ensuring that the criteria for its sustainability were met.

Picking value is hard in the biotech bubble

The rise and rise of the biotechnology sector of the stock market apparently knows no bounds. Chiroscience has seen its

shares effectively double since last month's announcement that it may have a more advanced form of British Biotech's Marimastat anti-cancer drug. After a further 20p rise to £2.20p, its market capitalisation is now £429m. This for a company which has never made a profit and which on Tuesday proudly announced a turnover of just £5m for last year.

Others biotechs too have seen spectacular share price rises, if not quite on the Alpine scale of Chiroscience. The huge head of steam building up behind the sector is being driven by hopes that British Biotech, the acknowledged leader, will announce later this month that the latest tests on Marimastat are positive and bring it closer to the market. Prices are being maintained by wildly optimistic claims from certain brokers. Last month, for instance, Greig Middleton suggested that the "fair value" of British Biotech shares could be £70 by early next year, more than double their current price of just below £30. A year ago, they were worth less than £5.

The current market in biotechnology stocks is taking on all the characteristics of a bubble, where investors are blind to the risks and keep piling in because the rewards promise returns beyond the dreams of avarice. Picking real value from the sector is akin to seeking needles in a haystack. The certainty that some of these companies will be subject to failures should never be far from investors' thoughts.

Rothschild shaken by a third key departure

JOHN EISENHAMMER
Financial Editor

NM Rothschild, one of the last remaining bastions of independent British merchant banking, was rocked yesterday by the departure of John Bishop, one of its top executives. His is the third senior departure in a matter of weeks, and insiders indicated that several more heavy-hitters are about to leave.

The exodus points up growing dissatisfaction within the bank over the personal style of leadership of Sir Evelyn de Rothschild, the chairman, and a perceived lack of strategy in the rapidly changing world of

focus of the Swiss bank's global investment banking operations.

In late April UBS announced the hiring of Michael Phair, who was in charge of Rothschild's privatisation work in Eastern Europe and other emerging markets. His departure was a serious blow to Rothschild, which has enjoyed a strong reputation as an adviser to governments on the sale of state-owned assets.

Shortly afterwards Rothschild suffered its second serious defection, with the departure to BZW of Anthony Fry, one of its high-flying corporate financiers. Mr Fry, aged 40, had been senior director on a number of important accounts, including British Airways, Pearson and the Telegraph newspaper group. Mr Fry, who had joined Rothschild's straight from Oxford, was regarded as one of the leading members of the successor generation within the bank. But he had also been given responsibility for Rothschild's press relations, a thankless task under Sir Evelyn, and is understood to have grown disillusioned.

The spate of defections exposes growing frustration among senior executives at Rothschild, where insiders describe an increasingly strained working atmosphere.

The acquisition last year by Merrill Lynch of the leading City stockbroker, Smith New Court, in which Rothschild had a 26 per cent stake, left the London merchant bank's strategy in disarray. The end of the special relationship deprived Rothschild of an important partner, and cast doubt on its ambition to remain independent at a time when other medium-sized British investment banks were falling to rich predators.

NatWest Group, which was looking to bolster its own corporate finance business, held talks late last year with Rothschild about a joint venture, but they were eventually blocked by Sir Evelyn. In November Rothschild took the unusual step of issuing a statement that the family intended to remain in control of the bank.



Anthony Fry: The second of the key defections

City investment banking. Insiders reported angry outbursts as Sir Evelyn sought to stem the outflow.

Mr Bishop was managing director of Rothschild's and its most senior executive responsible for trading activities. He is also chairman of the company responsible for the London Gold Fixing and advises the Bank of England on bullion matters.

Mr Bishop is to join Union Bank of Switzerland as senior vice president, where he will run the global precious metals and commodity risk management activities. UBS is one of the world's leading bullion houses. The hiring marks another step in UBS' aggressive strategy of building up its activities in London, which is becoming the

Debt crisis: Small investors make their stand against restructuring plans to grab part of their equity



Bad investment: French protesters under a tunnelling machine at Eurotunnel's offices near Calais, likening its shares to pre-revolutionary Russian bonds. Photograph: Brian Harris

French shareholders rail at Eurotunnel banks

PETER RODGERS
Business Editor

More than 600 angry French shareholders in Eurotunnel yesterday met in Calais to demonstrate against the sharp fall in the share price and creditor banks' attempts to take a large slice of the equity of the company.

Carrying banners comparing the battle over Eurotunnel to the scandals of defaulted Russian Czarist bonds at the beginning of the century, many of the shareholders arrived at the Eurotunnel offices on the French side of the tunnel on a chartered high speed train from Paris organised by campaigning action groups.

Shareholders said they had seen Eurotunnel as a long term investment and could not believe the price had fallen so far - to little more than a tenth of peak values.

Some were sanguine about their losses. "What's gone is gone. I've lost the price of a new car, that's all," said one shareholder, who was wearing the bright yellow badge of the campaign. It reads: "Eurotunnel - Stop the Rip-off".

The action came after leaks last weekend of plans by the banks to take up to 49 per cent of shareholders' equity in negotiations now under way to restructure £5.1bn of Eurotunnel debt on which no interest has been paid since last September.

The trip to Calais was organised by the Eurotunnel Shareholders' Association, the Association for the Defence of Eurotunnel Shareholders and the weekly finance magazine *Investir*. Shareholder representatives

said they planned to raise proxy votes for Eurotunnel's June annual general meeting. "Until today, all shareholders voted separately. For the first time, at least in France, shareholders are getting together and soliciting proxies," said Sophie L'Hellias, a shareholder representative.

Profits drop at Direct Line as price wars bite

PETER RODGERS
Business Editor

Insurance price wars and bad winter weather yesterday took their toll at Direct Line, when it reported the first profits drop in a decade-long war against the established giants of the industry. The telephone insurance company owned by Royal Bank of Scotland made a negligible £5m before tax in the first six months of the year compared with £45m a year earlier, because of falling motor insurance premiums and higher house-

hold claims as a result of the weather.

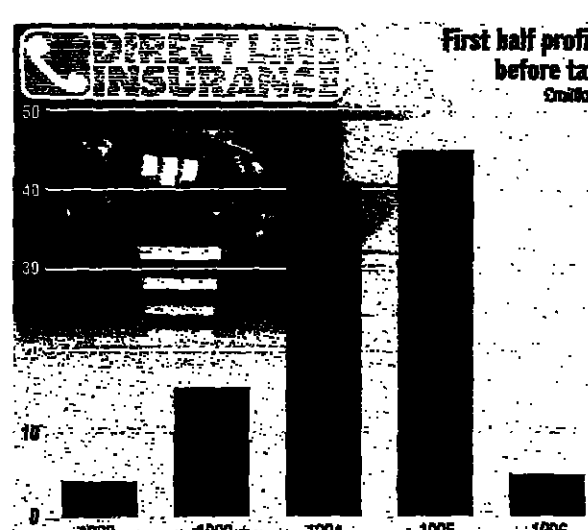
The bad weather knocked a £22m hole in Direct Line profits and the motor price war cost another £25m.

However, Royal turned in a strong banking performance that more than compensated for its insurance subsidiary's difficulties, so group profits were 11 per cent higher at a record £301m for the six months.

Direct Line has shaken up the industry and is widely credited with creating the intense competitive pressures in motor and household insurance that led to last week's proposed £6bn merger between Sun Alliance and Royal Insurance.

Peter Wood, founder and chairman of Direct Line, said: "The past six months have been the most difficult trading environment we have ever faced."

He said the price war was unsustainable. "We have no doubt that the cycle will turn soon. When it does we are best placed of any insurer to benefit. Motor insurance rates - down 20 per cent over two years - were going up, so the second half would be better than the first, he added.



"We are sneezing and the rest have a high fever," Mr Wood said. Direct Line might raise premiums 2 to 3 per cent, but competitors would need 10 per cent a year two years running to break even, he claimed.

On household insurance, Mr Wood said: "Competitors will have to come down to compete with us." Direct Line's rates were static, it had good reserves and had provided well for subsidence claims caused by last year's drought.

Dr George Mathewson, chief executive of the parent bank, said the Royal and Sun Alliance merger marked "the beginning of a process of strategic consolidation in the UK general insurance market which will cut capacity and ensure the survival of only the most efficient players". Direct Line has increased its

market share and raised its efficiency during the price war, so the operating cost per policy fell £6 to £45, Mr Wood said. But falling rates cut premium income £2m to £306m.

The most dramatic effect of the price war was a fall of more than a quarter in new household and motor policies taken on compared with a year earlier, as Direct Line restrained itself from chasing unprofitable business.

Royal Bank of Scotland's interim dividend rose 17 per cent to 5.4p and bad debts and other provisions fell from £71m to £45m. From provisions rose £5m to £346m.

Lloyd's raises offer for names

JOHN EISENHAMMER
Financial Editor

Lloyd's of London is to announce tomorrow a significant improvement in the terms of its settlement offer for names which it believes will clinch the insurance market's rescue deal. A brochure will be dispatched to the 34,000 names informing them that the offer will be increased by at least £1.2bn.

For the majority of names, the cost of drawing a line under their affairs at Lloyd's will be substantially more affordable. "After this information, I think we'll see the settlement process developing a strong, final head of steam," said one leading names activist.

A number of the 9,000 names who faced paying the maximum £100,000 premium into Lloyd's special reinsurance vehicle, Equitas, in order to cover all their old loss-making liabilities, will now find the cap halved to £50,000.

But Lloyd's sources said the extra funds would be spread around nearly all the names on a sound commercial basis to ensure maximum support for the settlement. Recent weeks have seen the emergence of an angry lobby among those names who have continued to pay their debts to Lloyd's

throughout the disastrously loss-making years, arguing that the focus of funds for assisting a settlement was too much in favour of litigating "won't pay" names.

Lloyd's has reached agreement in principle with the Department of Trade and Industry over the reserving requirements for Equitas, the result of which is that instead of needing an extra £1.9bn from names in final premiums, the amount will be just under £1bn.

In addition, Lloyd's negotiations with market professionals have enabled it to increase the £2.5bn pot for easing the settlement cost to names by at least a further £300m. Lloyd's is also near agreement with banks on a syndicated loan worth around £250m that it will keep as a standby facility.

The final individual statements on the Equitas premiums will be sent out in mid-June, with a vote on whether to accept the settlement package in July. If names support the rescue, Lloyd's, which has lost over £8bn in the last five years, will be able to cut itself loose from all its pre-1993 policies, forming a New Lloyd's to trade profitably into the future.

Industry confirms sharp orders decline

DIANE COYLE
Economics Editor

Six out of 11 regions of the UK suffered a sharp drop in manufacturing orders in the four months to April. Production was either static or down in seven regions, confirming recent figures indicating stagnation in industry.

The weak results of the latest survey by the Confederation of British Industry and the consultancy Business Strategies Limited came as Kenneth Clarke, Chancellor of the Exchequer, and Eddie George, Governor of the Bank of England, held their monthly meeting yesterday. The two appeared to have decided to leave base rates unchanged for the time being.

However, in a further sign of the split between the fortunes

of manufacturing and the rest of the economy, a leading City analyst yesterday revised up his prediction of the increase in house prices likely this year. Rob Thomas, building societies analyst at the investment bank UBS, boosted his forecast from 2 per cent to 5 per cent following the run of monthly price increases reported by Halifax Building Society.

Yesterday's regional survey by the CBI/BSI showed the steepest fall in orders in Wales and Yorkshire and Humberside. The only significant increases were reported in the East Midlands and Scotland, thanks to an increase in export demand. Despite slower growth in some of Britain's key markets, export orders were stronger than domestic orders in most regions.



Premium service: Peter Wood, Direct Line founder

business

Whitbread finds life after beer

THE INVESTMENT COLUMN

EDITED BY TOM STEVENSON

Perceptions are slow to change and Whitbread will no doubt be seen as a brewer for years to come. Actually, it is a retailer, increasingly of food rather than booze, and a leisure company that, among other claims to fame, is Britain's leading golf course operator.

In the year to March, brewing accounted for less than 15 per cent of group profits, slightly less than the profit contribution of the tied pub estate. Restaurants and leisure, where the portfolio includes the Beefeater chain, the Marriott's UK hotels and David Lloyd Leisure, chipped in twice as much and managed pubs three times. That balance is a reflection of Whitbread's success in managing the transition from a declining, competitive market to a range of fast-growing areas with potential to provide growth for years to come. One analyst calculates that the changes mean Whitbread is now more exposed to consumer recovery than any of its brewing rivals.

Another attraction of Whitbread lies in its ability to take advantage of better trading conditions by investing heavily in its growth areas. In the year to March capital investment of £345m swamped depreciation of only £93m. Although cash flow appeared to show a chunky £378m outflow during the period, adding back that excess capital spend and the cost of businesses acquired during the year confirmed that Whitbread's underlying businesses are nicely cash-generative.

That gives it plenty of firepower to both grow organically and make acquisitions, although it poured water yesterday on the market's more outlandish rumours. Certainly the evidence of recent purchases is encouraging.

Buying Marriott's UK chain seems to have caught an upturn in the hotel cycle at just the right moment. Occupancy in the six months since acquisition was 5 percentage points higher than in the comparable period at 75 per cent and room rates were nicely ahead. Most impressive, however, is the way Whitbread has outperformed modest improvements in its markets. In the last two years its share of the UK beer market has risen from 13.2 per cent to 14.3 per cent, with growth in the high-margin premium beers sector especially strong. On-trade sales rose slightly compared with a small market decline, while take-home sales, up 15 per cent, left a 7 per cent market rise standing.

Since we described the shares, somewhat harshly, as a good safe investment six months ago, they have risen from 62p to 73p yesterday, down 8p after some profit-taking. On the basis of forecast profits of £320m this year and £354m to March 1998, the shares

stand on a prospective price/earnings ratio of 15 falling to 14. That is a premium to the market but, ahead of the expected consumer recovery, rightly so. Still good value.

Sticky times for Tate & Lyle

Tate & Lyle's focused strategy is currently flavour of the month in the City and, under the chairmanship of Sir Neil Shaw, it has helped to create the world's biggest sweeteners group. But sticking to its knitting means that Tate remains heavily exposed to the commodity cycle, as yesterday's profits warning illustrates.

In January, Tate warned that profits in its Staley syrup and starch operation in the US would fall by more than \$30m this year. With the price of maize, a key ingredient, having doubled over the past 12 months and new capacity in the milling industry up 20 per cent or so this year, things look even worse. Analysts expect the contribution

from Staley, half the group's £311m profits in 1994/5, to halve this year to an underlying figure of just under £80m.

The market for Staley's high-fructose corn syrup continues to grow at over 4 per cent a year on the back of the apparently inexorable rise in the consumption of soft drinks like Coca-Cola. But that means it could take another three years for the over-capacity to be absorbed by the market. With world grain stocks at an all-time low at around 12 per cent of consumption, the outlook must be for the squeeze on Staley to continue into 1997.

So first-half results yesterday showing pre-tax profits up 10 per cent at £168m for the six months to 30 March are largely of historical interest. The figures did, however, bear the scars of the 1996 sale contracts negotiated by Staley with customers in January. Although matching forward maize contracts mean the business is protected from future raw material rises, the margin from North American sweeteners and starches has still slumped from 11.7 per cent to 8.9 per cent in the first half. The underlying rise in operating profits from £72m to £77.8m in Europe

was insufficient to offset the damage across the Atlantic. The promise of Tate is still in developing markets, whose returns should be "well into double figures" this year on an investment so far of £150m.

But that will make little difference to immediate problems. Profits of £300m this year would put the shares, down 14p at 462p, onto a forward multiple of 11. Unattractive for now.

La Senza début attracts market

It may have been the pictures of scantily clad models draped across the financial pages of the national press that swung it. Or perhaps - just perhaps - it was the compelling investment story. Either way, shares in loss-making lingerie and nightwear specialist La Senza enjoyed a decent debut on the junior Alternative Investment Market yesterday, going to a 6p premium above their 130p offer price.

The placing of 13.3m shares valued La Senza at over £50m and raised £19.4m to fund expansion in the UK of a further 152 outlets over the next five years compared with the 22 it has now. Quoted Canadian group Sany Shier will retain a majority, 60.2 per cent, holding in the enlarged La Senza group, and provide most of the top brass with their proven track record.

Leaving aside the publicity material, La Senza has its attractions on fundamentals. With Marks & Spencer dominating the estimated £1.2bn British market, there ought to be plenty to go for, though competition is hotting up. Market research group Verdict estimates that consumer spending on women's underwear and sleepwear (including hosiery, which La Senza is also targeting) is set to grow by 28 per cent.

From a standing start two years ago, La Senza's sales are set to reach £22m in the year to 1 February 1997, with maiden profits of £2.3m pencilled in for the following year. The forward pie would then fall from 35 to 15 in 1999, though the economic assumptions on which these projections are based are little more than educated guess-work.

Investors have always had a soft spot for concept retailers sporting aggressive roll-out programmes and bold profit projections. Some, like pub retailer JD Wetherspoon, surpassed the most optimistic forecasts; others, like computer games specialist Rhino, flopped after a warm reception. Shares in La Senza should go higher, but be prepared for a bumpy ride.

Scrap that old image, I'm on the Internet now

CITY DIARY

JOHN WILLCOCK



Goodbye to all that: Cable links supplant scrap heaps for Britain's 72nd richest person

Paul Sykes is Britain's 72nd richest person with a fortune worth £22m, according to a recent survey. Mr Sykes also announced a couple of weeks ago that he is standing as a Conservative Parliamentary candidate in Barnsley Central.

Mr Sykes made his fortune selling scrap metal, and latterly helped develop the Meadowhall shopping centre in Sheffield. According to his spokesman, though, he would now like to be described as "chairman of Planet Online, an Internet service provider."

No more horrid scrap metal for Mr Sykes, whose new company claims to have the UK's largest ISDN network, a type of cable link which can transmit voice and video. No more muck, just brass.

Peter Wood, chairman of Direct Line, may have been

smarting from the less than brilliant results he was reporting yesterday when he gave his own judgement on the recent Royal Life/Sun Alliance nuptials: "They were fighting like cats over the Halifax account (for reinsurance), they cut each other's throats on prices and they ended up merging."

Kinetica, the independent gas marketing company set up six years ago by Conoco (UK) and PowerGen, is recruiting. It advertised yesterday for "a number of key analysts to bolster our 24-hour operations team..." The work will involve the daily matching of supply and demand, market monitoring, demand forecasting, and so on.

Some unkind rivals were suggesting yesterday that this must have been prompted by the events of Saturday 9

March. While everyone had gone home, including Kinetica, a cold snap sent spot gas prices soaring from 10p a therm to 140p and upwards.

Is this recruitment an attempt by Kinetica not to get caught short again? Non-sense, according to sources close to the firm. They had a team on duty throughout the cold weekend, and sold gas to other companies. Whatever else you say about the newly deregulated gas industry, it certainly sounds competitive.

An employee of WorldCover Direct, a travel insurance company, was on holiday in Thailand when he overheard a conversation in a Bangkok bar. A British drinker was boasting to his cronies that he was living with a prostitute and would claim the expense back on his travel insurance.

The boaster let slip that the company was WorldCover. Consequently WorldCover is now awaiting a bogus claim from a holidaymaker in Thailand.

"The only question is what category will it be under," says the WorldCover man. "Lost luggage, medical or false advertising."

Zeneca sells loss-making dye business for £150m

MAGNUS GRIMOND

Zeneca, the drugs group, is to sell its textile colours business to the German group BASF for up to £150m. The intention to dispose of the loss-making operation had been flagged at the time of Zeneca's preliminary results in March, but the price obtained pleased the market, sending the shares up higher to £13.73 yesterday.

Stewart Adkins of brokers Lehman Brothers described

the news as very positive. "The company was making no money or even a slight loss from the business, for which they are getting £138m and the working capital back. That should be good for earnings and, more importantly, leaves them able to concentrate on what they do best."

With the \$62m sale of the speciality inks business announced earlier this year, Zeneca has cleared out most of the poorly performing parts of

its specialities division, he added. John Mayo, Zeneca's finance director, said in March that margins in specialities should rise from last year's 5.4 per cent to above 8 per cent following the disposals.

Explaining the latest sale yesterday, a Zeneca representative said the market for textile colours has been extremely competitive and very turbulent over recent years. "We have been looking at ways to improve

the performance of the business for some time and came to the conclusion it would be better off as part of a larger group."

Like BASF's existing operation, the Zeneca business is one of the six largest textile dye producers in the world. Together they will become the third largest group, behind Dystar, created from the merger of the separate dyestuffs operations of Hoechst and Bayer of Germany, and Ciba of Switzerland. The Zeneca business dates

from the formation of ICI, the drug group's erstwhile parent, in the 1920s. Its sales have been falling recently, dropping from £224m in 1993, to £213m in 1994 and just £202m last year, when it made "a small loss".

But Albrecht Muller, head of BASF's textile and leather dyes and chemicals division, said: "In the context of the strategic re-orientation of our textile dyes business, merging the activities of BASF and Zeneca signifies an important step forward."

The company said the merger of the two businesses would considerably expand BASF's business in dyes for cellulosic fibres and greatly improve its position in other dye sectors.

The sale should throw up a substantial capital gain, given that the business had net assets of only £65m last year. The operations being transferred include sites at Ellesmere Port in the UK, Brazil and the US. Around 730 employees will move over to BASF.

Graduate

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See page 23 - 26 section two

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Every Thursday in the THE INDEPENDENT section two

Write-off and costs send News plunging

MATTHEW HORSMAN
Media Editor

News Corporation, Rupert Murdoch's master company, saw third-quarter profits plunge 69 per cent to \$59m (£59m), and blamed higher costs at satellite broadcaster Star TV and a \$152m write-off following the sale of HarperCollins's educational publishing arm to Pearson.

Operating profits before the write-off were 3 per cent lower at \$211m, on revenues 7 per cent ahead at \$2.3bn. The company pointed to the costs of rolling out Star TV, which recently became the second foreign satellite service in Japan. Distribution and programming costs were both higher in the period.

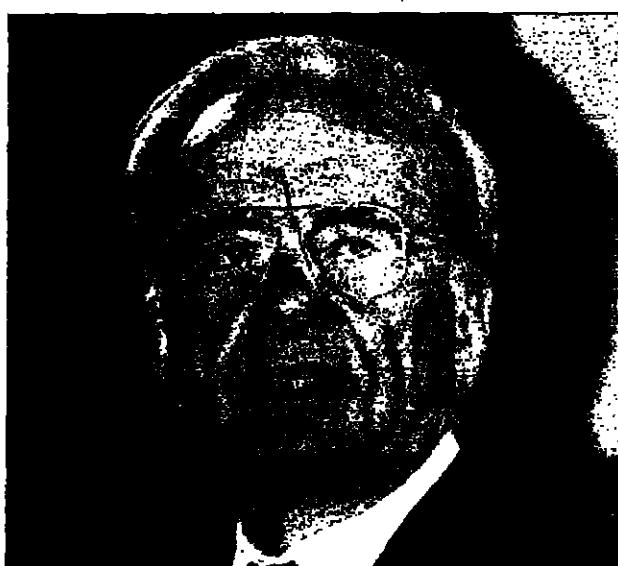
The UK was a bright spot, both in newspapers and in satellite broadcasting, where BSkyB, owned 40 per cent by News Corporation, this week announced record nine-month profits.

The company's four national newspapers each posted circulation and advertising revenue gains, while operating profits were up 8 per cent quarter-to-quarter. The *Times* managed to maintain its circulation gains despite cover price increases earlier this year. Circulation is holding at about 670,000 for the title. The down-market *Sun* continued to sell in excess of 4 million copies daily.

The newspaper outlook has been improved by a softening in the cover-price war and a fall in the rise of newspaper prices. In the US, the company's Fox television stations saw operating profits jump by 25 per cent, but the Fox Broadcasting Company, which supplies programmes and marketing services for the network, posted lower earnings following a rise in licence fees and promotional spending.

The US and UK book publishing operation, HarperCollins, was boosted by several bestsellers, including *In Company*, by Christopher Darden, a member of OJ Simpson's defence team. But the US paperback market and the UK market generally were both soft, the company said.

HarperCollins sold its educational publishing arm to Pearson for \$375m in the quarter, saying it intended to concentrate on consumer and electronic



Rupert Murdoch: Saw third-quarter profits fall 69 per cent after the sale of part of HarperCollins

publishing. Anthea Disney, formerly editor-in-chief of News Corporation's *TV Guide*, was appointed the chief executive of HarperCollins earlier this year.

Yesterday, Turner Broadcasting System, owner of the news network CNN, said it was confident its \$7.5bn merger with Time Warner will survive regulatory scrutiny, despite reports over the weekend that the Federal Trade Commission was poised to block the deal.

Lucas is vulnerable to a bid if the talks with Varity, which are still at an early stage, fail to lead to a deal. Other suitors mentioned include the rival UK car components group, T&N.

A merger between Lucas and Varity could be a good strategic fit. George Simpson, the outgoing chief executive of Lucas, has been saying for some time that the automotive component industry will be dominated by fewer, larger players in the

future and has publicly talked about Lucas doubling its automotive sales to £5bn.

Varity is strong in the North American market - an area where Lucas has traditionally been weak.

Its Kelsey-Hayes division is the biggest manufacturer of brake systems in the US and leads the world in anti-lock or ABS braking systems for rear-wheel and four-wheel-drive vehicles.

Lucas rules out cash in Varity merger

MICHAEL HARRISON

Shares in the car components group Lucas slid yesterday as it ruled out a cash bid from its US rival Varity, suggesting that any full-blown merger between the two will be an all-paper deal.

Lucas refused to comment on suggestions that its shareholders might be offered 60 per cent of the shares in the new enlarged group but analysts said that was roughly how the equi-

ty would be divided up on the basis of the two companies' respective market capitalisations. Lucas is valued at just under £1.9bn while Varity, former owner of the tractor-maker Massey Ferguson, is valued at about £1.2bn. After rising yesterday by 12 per cent to a high for the year of 233.5p, Lucas shares fell back to close 6.5p lower at 227p as the prospect of a cash bid disappeared.

However, analysts still be-

IN BRIEF

• Sir Neil Shaw, chairman of Tate & Lyle, warned of the imminent threat of world-wide food price inflation as a result of rising cereal prices. Falling harvests and increased consumption meant no food processor or buyer of food would be unaffected over the next six months, he said. With world stocks of grain at historic lows of around 12 per cent of consumption, the situation was becoming critical. The world would have to rely on a bumper crop from US producers this summer. Tate & Lyle said profits from Staley, its US sugar and starch operation, would be hit this year by a doubling of maize prices.

• Nuclear Electric and Scottish Nuclear will have to pay an initial £8.57m into a separate fund to deal with disposal of waste and outdated nuclear power stations on privatisation, the Government said. Nuclear Electric will make an endowment of £1.57m and Scottish Nuclear £7m for the fund. Thereafter, Nuclear Electric will make annual payments of £1.2m and Scottish Nuclear £4m for 40 years. The payments are based on independent actuarial advice, calculated from the estimates of decommissioning costs available from British Energy. The Government said the prospectus for the sale of British Energy will contain estimates of waste disposal costs.

• Stanley Leisure confirmed its widely expected bid for Gus Carter, the North-east based chain of bookmakers. The terms provide an exit for shareholders at 93p, 16 per cent higher than the 80p at which the company came to the market a year ago. The 20 for 102 share swap offer has been recommended by Gus Carter's board. Together with members of the Trewitt family, who also plan to accept the bid, they control 57 per cent of the shares. There is a full cash alternative at 93p.

• Mercury One-2-One, the Cable & Wireless mobile telephones subsidiary, has appointed Jan Peters, currently president of the wireless operations of US West, as managing director.

• Losses at Nyx Cablecom, the second-largest UK cable operator, widened to £23m in the first quarter of 1996, from £21m last time, as the company continued to build out its TV and telephone franchises. John Killian, president and chief executive officer, said the results were encouraging in light of the aggressive pricing introduced for phone customers in the period. The company has now passed a total of 1.4 million homes, with a take-up rate of just under 20 per cent for cable TV and nearly 26 per cent for telephony.

• Adia of Switzerland is merging with Ecco of France to become the world's largest temporary employment company in a share and cash deal worth around £850m. The combined company will have annual sales of \$6.2bn and a market value of \$3.7bn. It will leapfrog Manpower of the US in the \$80bn global temporary employment services market.

• BTR has bought a 70 per cent stake in Beijing Greatwall Plastics, a joint venture which makes plastic containers in China. Separately, Norcross has acquired BTR's Dunlop Adhesives business and its interests in three joint ventures - Building Adhesives, Australian Building Adhesives and TAL Proprietary - for £27.3m cash.

• Volkswagen said pre-tax profits rose to Dm407m (£176m) in the three months to March, up from Dm166m in the comparable period last year. The company, however, expects only a slight rise in 1996 earnings and sales.

COMPANY RESULTS				
	Turnover £	Pre-tax £	EPS	Dividend
Ames Rubber (I)	173m (18m)	10.2m (7.5m)	24p (16.6p)	5.75p (5.25p)
James Beattie (F)	90.3m (85.0m)	5.8m (8.2m)	9.1p (8.9p)	6.65p (6.4p)
DOC (F)	152.9m (140.5m)	128.9m (125.3m)	25.3p (22.15p)	6.9p (6.15p)
Holmes & Witherell (I)	12.8m (12.4m)	0.48m (0.18m)	1.86p (0.76p)	nil (nil)
Repsol de Scotland (F)	- (-)	30.1m (27.0m)	21.3p (20.1p)	5.4p (4.8p)
J Seachurn (F)	13.5m (12.1m)	712m (609m)	26.8p (23.8p)	2.1p (1.7p)
Sanderson Electronics (I)	30.9m (27.1m)	3.3m (2.8m)	5.3p (4.4p)	2.1p (1.8p)
Stiffey Group (I)	141m (14.7m)	-1.4m (4.1m)	-1.7p (5.1p)	1p (4.5p)
Tate & Lyle (I)	2.53bn (2.69bn)	168m (153m)	23p (21.1p)	5.3p (5p)
Thorn Holdings (I)	5.95m (6.28m)	0.83m (1.08m)	5p (6.63p)	1.9p (1.5p)
Whitbread (F)	2.75bn (2.47bn)	285m (273m)	48.0p (42.76p)	21.85p (20.2p)

(F) - Fiat (I) - Indian

market report/shares

TAKING STOCK

DATA BANK

FT-SE 100
3707.3 -15.7

FT-SE 250
4504.4 -21.1

FT-SE 350
1883.8 -8.2

SEAQ VOLUME
734.3m shares,
32,572 bargains

Gilt Index
91.85 +0.26

SHARE SPOTLIGHT



Sell in May and go away - one of the stock market's more hackneyed expressions is looking ominously appropriate.

Yesterday shares were again in ragged retreat, with the FT-SE 100 index falling 15.7 points to 3,707.3. It has given ground on each of May's five trading days, falling more than 100 points in the process.

Even the supporting FT-SE 250 index, which was for weeks in rampant form, has found May too much. It has wilted on four of the five days.

The sudden change of mood coincides with a flagging New York, with the Dow Jones Average said by some to be heading for 5,000 points, another government election rout and the bewildering power vetos from the Board of Trade.

Even a couple of mega-bids have failed to rouse enthusiasm and it is beginning to look as if shares could be set for an in-different run.

Hopes still linger of further interest rate cuts and more takeover action. But with gifts in the doldrums and shares showing signs of tiredness, the temptation to take some of the profits which have been created in the recent bull run may prove irresistible.

J Sainsbury, despite its first profits fall as a quoted company and a market rush to cut profit forecasts, was the best-performing blue chip, up 15p to 372p. The dividend policy and share buy-back plans impressed. There was also an inclination to look upon the shares as a good recovery play.

Other superstore chains caught the Sainsbury habit, with Argill up 8.5p to 336.5p and Tesco 5p to 272p. Watson & Philip, the convenience stores chain, fell 16p to 514p on the departure of its chief executive, David Bremner, to Sainsbury.

Lucas Industries was again



MARKET REPORT

DEREK PAIN

Stock market reporter of the year

busily traded as bid speculation continued to swirl around. The car components group said Vario, the US group with which it was involved in talks, was unlikely to mount a bid but few had expected it to do so. A Lucas offer for Vario - or a bid for Lucas from another source - are the possibilities intriguing the market. The shares fell 6.5p to 227p.

Some recent takeover favourites came to grief. Harry Ramsden plunged 54p to 383p and London Clubs 28p to 508p. Cadbury Schweppes lost 13.5p to 492.5p, despite a positive trading statement, and Thoma EMI gave up 29p to 1,759p.

Pearson, which was up 14p to 702p, remained in the bid spotlight with the South African Anton Rupert, of Rothmans fame, emerging as the rumoured predator. Wm Morrison, the supermarket chain where it is said that family pressures could provoke corporate action, edged forward 2p to 173p.

Cable and Wireless enjoyed a late run as AT&T was again put forward as a likely bidder. The shares closed at 476p, up 6p.

Talk of action at Guinness, which is likely to be prompted by Bernard Arnault, the French entrepreneur, was behind a 7p gain to 479p, and the

poorly performing Grand Metropolitan for a time enjoyed another speculative whirl, only to finish little changed at 426.5p.

Smith & Nephew remained in demand, ahead 6.25p to 201.75p. Since its skin-growing link with a US group was announced last week the shares have risen 14.25p, a remarkable display for a share more accustomed to moving in fractions of a penny.

Rank Organisation rose 7p to 539p, still reflecting a positive analysts' meeting and talk of a leisure deal.

Flying Flowers was little changed at 173p. It duly announced takeovers worth £5.3m and is raising cash through a placing and open offer at 157p.

Albert Fisher, the food group, firmed to 52p. A subtle market re-rating may be on the way. Profits for the year ending August could be £42m, with

some looking for £50m next year.

Bluebird, the toys group, fell 11p to 221p. The shares were 385p in November. There is talk of disappointing US sales.

Hawtins, the leisurewear group, gained 1.75p to 52.75p on the £4.8m building products sale and Dorling Kindersley managed a 12p gain to 641p on CD-ROM expansion hopes.

Two AIM newcomers made solid debuts. La Senza, the lingerie and nightwear fashion chain, ended at 156p from a 150p placing and Redec, making reflective ink, went from 40p to 48p.

There could be some dramatic new-issue action today. Maiden, the outdoor advertising group, is expected to enjoy a 50p premium and could even touch 300p from its 220p flotation.

The pharmaceutical group Vanguard Medical could hit 480p from its 450p flotation.

JBogod, a tightly controlled, family-run sewing machine distributor which rarely attracts attention, is riding at a peak. Plans to develop 65 Cardiff office sites as an out-of-town retail unit are behind the excitement.

It intends to let the property and relocate its own operations. If the venture is successful it could lift the group's asset value to more than 85p-a-share with 16p in cash. The company is controlled through its ordinary shares, priced at 63p; the restricted voting shares are 45p.

Intercare, the healthcare group, gained 3p to 78p, a two-year peak. It has been reshaped under new management and is thought to have reversed its profit decline.

At its peak it produced £4.3m; last year's figure was £2.5m.

Share Price Data

Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: ex rights = Ex-dividend as Ex all a United Securities Market's Suspended; pp Parity Paid pm Paid Share.

Source: Financial

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UK Company News	02	Wall St Report	20
Foreign Exchange	03	Tokyo Market	21
		Provision Issues	38
		Water Shares	39
		Electronic Shares	40
		High Street Banks	41

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Market leaders: Top 20 volumes

Stock	Vol	Stock	Vol	Stock	Vol	Stock	Vol
Barclays	100000	BT	100000	Grand Met	70000	Thames Water	50000
Yield	100000	Smith & Nephew	80000	Outco	70000	Ry & Scahill	50000
Lucas	100000	Woolworth	70000	ONE	60000	South Airways	50000
Sainsbury	20000	Harson	20000	Batham	50000	Batham	50000
BET	10000	San Marco	20000	Royal Insurance	50000	WPP	50000

FT-SE 100 index hour by hour

Open 3787.1 down 4.5	11.00 3783.5 up 5.3	14.00 3783.5 down 4.7
Close 3707.3 down 15.7	12.00 3784.5 up 10.3	16.00 3783.5 down 4.5
	13.00 3784.5 up 10.3	18.00 3783.5 down 10.7
		Close 3707.3 down 15.7

High	Low	Stock	Price	Chg	Vol	P/E Ratio
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36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Telecommunications

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Retailers, Food

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Textiles & Apparel

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Retailers, General

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Pharmaceuticals

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Printing & Paper

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Property

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Support Services

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Water

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Rights Issues

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Recent Issues

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Government Securities

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Mediums

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Longs

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Index-linked

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Undated

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Health Care

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Food Manufacturers

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Engineering Vehicles

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Diversified Industrials

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Breweries, Pubs & Rest

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Banks, Retail

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Banks, Merchant

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

Alcoholic Beverages

36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35
36	35	Wentworth	35	-	35	35

sport



FA CUP FINAL COUNTDOWN: Old values have given Liverpool a new lease of life as they prepare for trip to Wembley

Boot room legacy safe in Evans' hands

Phil Shaw talks to the Liverpool manager who has restored the club's fortunes with tried and trusted methods



Within the corporate empire that is Liverpool Football Club, the co-operative ethos not only survives but will be an important factor in Roy Evans' preparations for the FA Cup final against Manchester United. The boot room is dead, long live the boot room.

The very term is synonymous with the tracksuited visionaries who built Liverpool into a modern power which, for two decades, left United trailing. The room itself has an aura second only to The Kop among Anfield landmarks, and far greater mystique.

It was, by the manager's admission, "nothing special" to look at, a spartan den in a passage beneath the main stand. Lining the walls, on racks, was the footwear from which its name came. Decor amounted to the odd saucy calendar (it was a male preserve), the smell of toast min-

gled with the whiff of polish, and the only light came from a single bulb.

Yet inside this "scruffy little cubby hole", as Evans affectionately remembers it, principles were established which helped Liverpool to domestic and European dominance. Pass, move and possession on the pitch, unity of purpose off it.

The bricks and mortar have long since given way to a carpeted press lounge following the relocation of the backroom operation to Melwood, a suburban training complex near the Brookside set. But the concept of the boot room is thriving again.

It endures in the both the people Evans has gathered around him and the values they uphold. Foremost among those are continuity, consultation and—in contrast with the more patriarchal set-up at Old Trafford—collective responsibility.

The first of those ideals

was what led Liverpool to offer Evans his first managerial post in January 1994. After the slow-burning fuse of Kenny Dalglish's final months and the turmoil of Graeme Souness' reign, a return to the practice of promoting from within was seen as the best way to restore stability and success.

The 47-year-old Evans came to Anfield as a school-boy left-back. In the summer of '74, when Bob Paisley was settling into the manager's chair vacated by Bill Shankly, he retired at 25 to join the coaching staff. The popular perception is that Paisley and his own successor, Joe Fagan, were already part of a thriving think tank presided over by Shankly.

"The boot room wasn't so much Shankly's thing," Evans explained. "He popped in and out, but it really took off when Bob took over. He and Joe, as well as myself, Ronnie Moran, Reuben Bennett and John Bennisson, would sit down and discuss transfers, tactics, whatever."

"But it was more than a talking shop. It wasn't a place where we just nodded—there were some big arguments and bust-ups in there—but somewhere where things got sorted out."

Tea was always brewing. Visiting managers would be invited in for a drop of something harder. The idea, legend has it, was to loosen their tongues about players in whom Liverpool had an interest.

Shankly's role in boot room history may have been overstated. However, his all-for-one, one-for-all mentality, the legacy of his childhood in a Scottish mining community, also came naturally to Paisley,



The team behind the team: Roy Evans is surrounded by his coaching staff, who are steeped in Liverpoolian lore

Photograph: Peter Jay

who had a similar background in County Durham.

"There was no backstabbing and no one ever wanted anyone else's job," Evans recalled. "Work was the all-important thing, not 'how can I improve my standing?' From the moment we hung our coats in the boot room in the morning, we were all pulling together for Liverpool."

"Everyone was equal and allowed an opinion. Bob and Joe never thought they were top dogs; they were working men. But there was real wisdom in there. Ron Saunders (a headmaster who became director of youth development) once said that in his first few years he didn't say a word. He thought the best thing he could do was listen."

Players seldom strayed through its door. That has not stopped several from adding to the mythology. Ian Rush's au-

tobiography claimed that the pre-season fitness schedule was taken "to the letter" from a routine handed down by Shankly. Phil Neal, who saw himself as Fagan's successor, called the training regime "rigid" and argued that the fabled continuity was no more than conservatism.

Again the insider's version differs. "Bob and Joe laid down a routine for pre-season which, to a reasonable degree, we still adhere to," Evans said. "But it's not right to say it's rigid. We decide what we're doing after taking into account things like the weather. We're actually very flexible."

Some former players have claimed that the boot room were obsessed with dosiers and diaries. Evans staff still fill in a daily ledger, detailing who trained and who was injured. He views the routine as pooling information on which

to base decisions rather than pointless bureaucracy.

Mark Lawrenson felt that the boot room's influence waned after Dalglish succeeded Fagan. As player-manager, Lawrenson said, Dalglish was "one of the boys" in the morning, being put through his paces by Evans and Moran. After lunch, "he was boss and they did as he said."

Dalglish, who was surprisingly better acquainted with dressing-room ways, took the unprecedented step of sending two stalwarts, reserve keeper Chris Lawler and chief scout Geoff Thwaites, to train in his own men. Souness disagreed with Lawler's replacement, Phil Thompson, but the upheaval did not halt Liverpool's steady decline.

The elevation of Evans, who has Paisley's equable temperament and footballing acumen, was designed to restore

harmony. This season's tilt at the Premiership title and run to Wembley suggest it was a progressive choice as well as a nod to the past.

Evans' team behind the team are steeped in Liverpoolian lore. Ron Yeats, the captain Shankly called "my colossus", is chief scout. Sammy Lee takes the reserves. Steve Heighway holds Saunders' old brief.

Moran, the first-team coach, has devoted his working life, now in his 45th year, to a club he joined (like Evans) as a teenager, left-back. Bruce Grobbelaar once likened them to a detective double act, with Evans the "good, sympathetic cop" and "Bugsy" Moran "the hard man."

Evans' assistant, Doug Livemore, had dual qualifications for the new boot room. "We wanted someone with experience, outside of Liverpool."

Doug had worked with Terry (Venables) and Peter Shreeves at Tottenham. But he also had the Anfield connection—we played together in Shankly's time."

In devising a strategy to unpick United, Evans will consult everyone from Livemore to the youth coach Hugh McAuley, a fellow Bootle boy and Shankly apprentice. He will also canvass the people who must put it into practice, like John Barnes, whom he regards as a manager in the making. "I go round at a daily basis so I can consider every option, but the final decision is mine."

These days, Evans revealed, the hard talking is done in a store room at the training ground. "The Melwood store room" may not have quite the same ring as the Anfield boot room, yet its members could soon be pouring their cuppa from the Cup itself.



Boot room boys (from top left): Moran, Paisley, Fagan, Evans, Saunders and Bennisson parade the League trophy

Ferguson wins the generation game



There have been some lavish compliments heading in Alex Ferguson's direction this week that have included conferring greatness on the Manchester United manager. But then there has been some serious sucking up to do.

Most of it has come from journalists who, nine months ago were questioning Ferguson's reason when he let Mark Hughes, Andrei Kanchelskis and Paul Ince go, although more than one supporter should be contrite. If there are no red faces in Manchester this week, then there ought to be. Last August a telephone poll in the *Manchester Evening News* voted that Ferguson should either jump or be pushed from his job. "City fans making trouble," was his terse observation, but it hurt, nevertheless. After all, he had only brought nine trophies to Old Trafford at a rate of one a year.

The opprobrium heaped on Ferguson's head last summer was provoked by what many considered to be his stubborn faith in youngsters. "You don't win anything with kids," is a comment that Alan Hansen will have thrown in his face for

a long, long time, but he was not alone in his sentiments.

Which has made this a particularly sweet week for Ferguson. On Sunday he clinched his third championship in four years and, on Saturday, he hopes to complete a second double out of three against Liverpool at Wembley. Not bad for a man who was considered to be losing his grip.

"There was a feeling that things were falling apart," said Richard Kurt, who was then acting as spokesman for the Independent Manchester United Supporters' Association and rivaling the Princess of Wales for column inches. "It wasn't so much what was done but the way it was done."

Hughes' going they understood, and Kanchelskis was clearly hell bent on leaving Old Trafford. It was the departure of Ince that mystified. "He is the best Englishman in his position," Kurt said, "and until everything about the transfer came out it seemed United had pushed him out. To be honest, most United supporters thought we would be lucky to qualify for Europe, never mind win the championship."

It is the young players who have astounded both United's supporters and their opponents. The two Nevilles, Nicky



Gary Neville, Phil Neville, David Beckham, Paul Scholes, Nicky Butt

The United manager's faith in his young charges (above) has been lavishly repaid. Guy Hodgson reports

Butt, Paul Scholes and David Beckham, all fringe players this time last year, have blossomed at a colossal rate.

Mature beyond their years (none is older than 21), they have belied the theory that youngsters are neither consistent nor durable enough to win championships. In addition, there is no hint of the conceit or tantrums that Ince and Kanchelskis were said to be prone to. From FA Youth Cup winners in 1992, they have graduated to the championship, a phenomenal rise given the fall-out rate in young footballers.

Hughes, now at Chelsea, said everyone was aware that the youngsters were distinct. "They're a special group," he said. "They all caught everyone's eye in the senior squad as soon as they joined the club. We knew they were a

top-notch group of players and United were very grateful they all came through at the same time."

"One of their biggest assets, apart from their natural skill, was there was never any fear in them. When players are young you always worry they can't cope with the fact they are out on the field with 30,000 people watching them. But I've never seen any fear in this crop of kids. Nothing seems to bother them."

Brian McClair, a player who has been eased out of the first team by the coming generation, concurs: "They are all level headed, with a good belief in their own ability," he said. "They're all willing to learn and listen to all the senior players and the coaching staff. With that good attitude, things should only improve for them. Maybe it's easier for young

players to come into a team like Manchester United. Nobody knows anything about them, they are there to make their name. Whereas sometimes people have come in with a high reputation and the crowd expects much more. The kids have nothing to prove other than they can play."

Ferguson put his money where his mouth was in more ways than letting Hughes et al go. During the close season Paul Gascoigne intimated he wanted to come to Old Trafford and would have provided just the sort of extravagant buy that would have assuaged the fans.

Gascoigne is described by Ferguson as the best English player he has seen since his move from Aberdeen in 1986 and he must have been tempted. "I had just said that Nicky Butt was the future as far as this club was concerned," the manager said. "It wouldn't have been fair to the boy to suddenly bring in another player."

Ferguson was rewarded by a compelling season from Butt, who has filled the Roy Keane role in midfield as the Irishman has moved up to become the senior partner. At the back, Gary Neville has become England's full-back but not necessarily United's as his brother,

Phil, now gets the choice when everyone is fit, while Beckham has proved a quick-witted, replaceable as quick-footed, replacement for Kanchelskis.

"When the manager told the three in the summer," Phil Neville said, "it spurred everyone on in the reserves and youth team. I thought: 'He must be going to try the young lads'. I know I tried that little bit harder."

Nine months on and Ferguson has made it up with his critics, including the Independent Supporters' Association, who he addressed at a meeting last month. "A lot of United fans were upset that Ince was sold," Kurt said, "but once the season started they got behind the team, particularly the kids. They're young and you'll forgive a young player anything."

"Only twice this season, away to Liverpool and Leeds, have they been found out in high-pressure matches. Apart from that they have thrived. You saw that when United went to Newcastle. They showed they had learned."

And how. Eighteen months ago Port Vale reported United to the Football League for fielding a weakened side in the Coca-Cola Cup. Seven of that team won the championship on Sunday.

Cantona showed 'courage' in staying

Alex Ferguson yesterday revealed how he persuaded Eric Cantona, one of the pivotal players in his championship-winning Manchester United side, to show "the courage" not to turn his back on the English game last summer.

The Frenchman seemed determined to leave Old Trafford in the aftermath of his first faux pas at Selhurst Park, and his resolve appeared to strengthen when the Football Association announced it was to investigate the circumstances which saw him playing in a training match in apparent breach of his eight-month worldwide ban. Cantona approached the United board with a transfer request and, with Internazionale pursuing him, he appeared Italy-bound.

However, Ferguson's determination to keep Cantona was demonstrated when he flew to France to persuade him to stay. "I think he was assessing what his options were, and the feeling he had at the time made it a difficult one for him, very difficult," Ferguson said.

There was the community service and all the media exposure and the criticisms. I wonder how many people would have had the courage to stay, particularly a foreigner?

"It would have been dead easy to get on the first ship, stay in the hull, and go anywhere, just run away, but he's done more than that."

Ferguson explained how he had persuaded Cantona to change his mind. "We did what we felt would please ourselves and our supporters. I think we did the right thing and it turned out to be good for us."

"I said to him: 'There's no reason for you to leave here. The supporters love you: it's the best football you've played and enjoyed in your career. If you think you can't handle it though, then you'll be doing the right thing by leaving.' I think he's made the right decision."

This week Cantona broke his silence to explain he had been driven by a desire to be "honest and faithful to those who have surrounded me" and to publicly thank Ferguson for his personal support.

Ferguson's response was to play the compliment down. "He doesn't need to tell me that," he said. "Eric isn't the type of person to try to ingratiate himself with me or anybody else. I'm not a vain person but I'm aware of what he feels about this club and me. The way he's performed tells you everything, I think."

McAuley rewarded

Equestrianism
GENEVIÈVE MURPHY
reports from Windsor

Claire McAuley showed that perseverance has its reward when she rode the French-bred mare, Equity, to win the Castle Stakes on the opening day of the Royal Windsor Horse Show.

"I've been competing at Windsor since I was 18, and I usually go terribly badly here," McAuley, 26, said after gaining her first victory in the spacious arena under the granite face of the castle. She defeated Guy Goosen on Carat and last year's winning rider, James Fisher, on Flinton Vioici.

McAuley regarded Peter Charles, the European champion, as the most threatening of her rivals. But the Irishman, who was last of 15 in the jump-off,

clattered the first fence on Dolly to give McAuley her long-awaited victory.

Eleven-year-old Equity was bought in Belgium three and a half years ago by Jenny Willment, of Egham in Surrey, who has backed McAuley for the last five years. Equity could help McAuley to realise her ambition of riding for a British Nations Cup team. McAuley will also be competing here on Audacity, a Russian stallion.

Emma-Jane Mac rode Gringo to the fastest round in yesterday's jump-off, but that effort was marred by a single error which left her in sixth place. Tomorrow Mac will defend the Ladies' Championship she won last year on Diamond.

ROYAL WINDSOR HORSE SHOW: Castle Stakes 1 Equity (C McAuley) drew 40, 20m; 2 Carat (G Goosen) drew 41, 22; 3 Flinton Vioici (J Fisher) drew 43, 74. Bob Champion (S Woodroffe) from (R Stock). Reserve: Guy (J U Webber).

Ballesteros in Scot's shadow

Golf

ANDY FARRELL
reports from Madrid

At Club de Campo here yesterday, it was difficult to believe that the defending champion in the Peugeot Spanish Open, which starts today, was Seve Ballesteros and not Colin Montgomerie. Rarely can Ballesteros have arrived at a tournament he won the year before with such low expectations.

Not only is the Spaniard not playing like a defending champion, he should not even be playing. After the Turespaña Masters two weeks ago, Ballesteros had liquid drained from his left wrist, which was in plaster for four days.

The doctor said I should not play for three weeks, but this is the Spanish Open and I should

be here," Ballesteros said. No one knows this better than the man himself.

His company, Amen Corner, are the promoters and they have already lost Jose Maria Olazabel with his continuing foot problems. Ballesteros' form was deteriorating a year ago when he was urged on by home support to his third Spanish Open title.

It was like the last grand performance of a dying swan. This year, after a five-month sabbatical, his best result in six events is a next-to-last finish.

In contrast, Montgomerie sees this week as the start of a six-tournament run, culminating in next month's US Open. "My golf is fine and I have

everything to look forward to," the Scot said.

Montgomerie, who last week finished seventh in a tournament in Thailand, returns to Europe with a record of played one, won one — though, geographically, it came in Dubai and four top-10s in six events overall. His disappointing US Masters has been swiftly dismissed, but his putting is causing a "minor concern".

"You have to hole out regularly to win rather than be in the top 10. I am pushing most of my putts and I am working on it. I would expect to hole half the 10-footers I have, and I am only holing two or three out of 10. These are problems Ballesteros can only dream about."

Gordon Sherry makes his professional debut in the Scottish PGA Championship at Dalnabrook today. The towering Scot made his amateur farewell when completing two rounds in the US Masters in April, but he had to miss his scheduled debut in last week's Italian Open through a bout of tonsillitis.

Sherry said yesterday his illness had not been helped by concerns over which set of clubs to play in his rookie year. "I really think I made myself ill over knowing I had to let someone down. It's not a nice feeling but there was no way I could avoid it."

Five Scots who have won on the European Tour will also line up at Dalnabrook: Paul Lawrie, Adam Hunter, Stephen McAlister, Andy Oldcorn and Raymond Russell, who won the Cannes Open a fortnight ago.

Emphasis on speed

Hockey

BILL COLWILL

The omission of Sue MacDonald, Glasgow Western's 27-year-old striker, was the major surprise in the Great Britain women's squad announced yesterday for the Atlanta Olympics.

MacDonald, the leading goal-scorer during the Olympic build-up programme, is one of three players to lose their place from the squad who qualified for Atlanta in Cape Town last November. Lucy Cope and Scotland's Diane Renilson also drop out.

Britain's manager, Jenny Cardwell, said: "We felt that the chosen strikers had the edge on speed and versatility," referring to the Slough pair of Mandy Nicholls and Anna Bennett. Leicester's Kath Johnson and

Jo Mould and Hightown's Tina Cullen are the three additions to the squad from Cape Town.

Johnson, who returned to international hockey this year after the birth of her first child, will add experience, and with her tenacious tackling seems certain to line up in the centre of the back four with Karen Brown. They should provide a formidable partnership.

Eight of the squad won bronze medals in Barcelona, and for three, Brown, Jill Atkins and Jane Sissmith, Atlanta will be their third Olympics.

Britain play the Pan-Am champions, Argentina, at Lille-shall on 21/22 May. GREAT BRITAIN WOMEN'S OLYMPIC SQUAD: M Rose, J Sheworth, M Davies (the two Canada left), K Brown, M Nicholls, A Bennett (Slough), J Thompson (Newcastle), J Nicholls (Bradford), S Smith (Leeds), J Mould (Glasgow), J Cullen, C Cope (Hightown), K Johnson, T Cullen, C Cook (Hightown), K Johnson, S Fraser, P Robertson (Glasgow), K Johnson, N Simpson (Hightown), L. Call Scotland.

Sports letters have been held over due to pressure of space

[illegible]

been the case and will continue to be the case.

"The system works against itself. There are too many bad footballers and not enough good ones. There are too many clubs and not enough spectators. What you have is instant subsidy and dilution. The money coming into the game is shared too thinly.

"I don't mind revenue-sharing within a league, so long as it is a good league, and I don't see why we shouldn't think about admitting a team from Dublin and another from Belfast."

Supporters of Charlton Athletic are threatening to seek a court injunction preventing next week's First Division play-off semi-final second leg against Crystal Palace from going ahead. Their supporters' club claim Palace's ticket arrangements for their match on 15 May are in breach of the rules because they have been allocated only 2,583 seats instead of the 6,700 which would constitute the required 25 per cent of capacity.

The pounds sterling that the members of Manchester United's FA Cup final squad are donating to charity from their Wembley bonus pool. The money will go to the Dunblane Appeal and charities in Manchester.

Tony Morton Hooper, who represented Diane Modahl in her 18-month struggle to overturn a doping ban by proving flawed testing procedure, said yesterday that no provision would be provided for innocent athletes to do the same thing under the new proposals.

"The judgment of the arbitration court is based on an assumption that all evidence provided by IOC accredited testing laboratories is flawless. And that, as we have shown, is not always the case," he said.

■ Yoshitaka Ito, Japan's 100m champion, was yesterday suspended for four years after testing positive for a banned steroid.

[illegible]

SPORT



FA CUP FINAL

The men behind Liverpool prepare for the boys of Manchester United

Players' threat to set up own England team

Rugby Union
STEVE BALE

The Rugby Football Union was last night confronted with the possibility of an insurrection by its own England players if the other countries of the Five Nations proceed with their threat – now imminent as well as real – to remove the RFU from the Five Nations Championship.

Martin Bayfield, the Lions look who this season became one of the first full-time rugby union professionals, issued the warning on behalf of his team-mates after representatives of Wales, Scotland, Ireland and France had deliberately excluded the English from a late-night meeting at a Heathrow hotel while they plotted their strategy.

First, it became clear that the other countries were prepared to exclude England from a four-nation competition to be played home and away each season, because of the RFU's insistence on breaking the tradition of the home unions' jointly negotiating their Five Nations television contract.

Then it became clear that, in those circumstances, the England players would set themselves up independently, ready to play on once the new TV contract comes into force at the start of the 1997-98 season.

"If the RFU tried to prevent us from playing rugby, then I wouldn't be surprised if the players got together and said we will play as England but under another banner," Bayfield said.

"The RFU have to be careful that they don't take away from the players their aims and ambitions. The players will play for England no matter who is calling the shots. We want to play for England and we want to play Five Nations rugby."

In Bayfield's case this desire is exacerbated by the loss of his England place this season at the age of 29. With the RFU's other dispute with the senior clubs still unresolved, a clubs' break-away could lead to an alternative England team.

Indeed, Epruc, the English clubs' umbrella organisation, is understood to be on the point of announcing it has agreed its own contracts with the England players – with the appropriate release clauses for international matches – so the RFU's position is weakening almost daily.

"You are taking away the reason why people play rugby," Bayfield said. "I am a professional player now. If someone turned round and said 'you can't play Five Nations rugby any more' and someone says we are setting something up where by you can play and it's recognised by the other unions, then I would play for them."

Yesterday Tony Hallett, the RFU secretary, was trying to persuade the other home unions that individually negotiated TV contracts would be good for everyone. He had hoped BSkyB's separate five-year offers – thought to be £61m to England and roughly the same to the others put together – would already have done this for him.

"I am sure that, once they can see what offers are put on the table, we can come to some compromise, but we are duty-bound to look after our own country's interests as best we can without being selfish or greedy," Hallett said, ignoring the fact that Sky's various offers are already on the table and have therefore been seen.

"England are trying to sell something they don't own," Ray Williams, one of the Welsh representatives, said last night. "If England refuse to climb down we either have to carry out our threat not to play them or shut up. It has to be equal shares or nothing."

Hallett believes alternative international matches would be available to England even though the southern-hemisphere countries have told the RFU that their post-Christmas fixture-lists are too congested. The situation is further complicated by the clubs' resolve to run their own European competitions next season.

One of them, Leicester, have agreed contracts with the England forwards, Martin Johnson and Neil Back, to add to those of their front-row forwards and the new signings, Austin Healey and Craig Joiner. However, Niall Malone, Richie Robinson, Wayne Kilduff, Jamie Hamilton, Chris Tarkenton, Aadel Kardooni and Andy McAdam are being courted by other clubs.

Neil Back will face an RFU disciplinary committee after his alleged push on the referee at the end of Saturday's Pilkington Cup final.

Sampras weeps for his coach

Tennis

Pete Sampras broke down in tears on Tuesday at the funeral of Tim Gullikson, who died last week. Sampras, who was paying tribute to his coach, said he owed his No 1 world ranking and his seven Grand Slam titles to Gullikson.

"He taught me how to compete and how to win," Sampras said. "Even in his sickness, he was upbeat."

Sampras was one of the pallbearers at Gullikson's funeral,

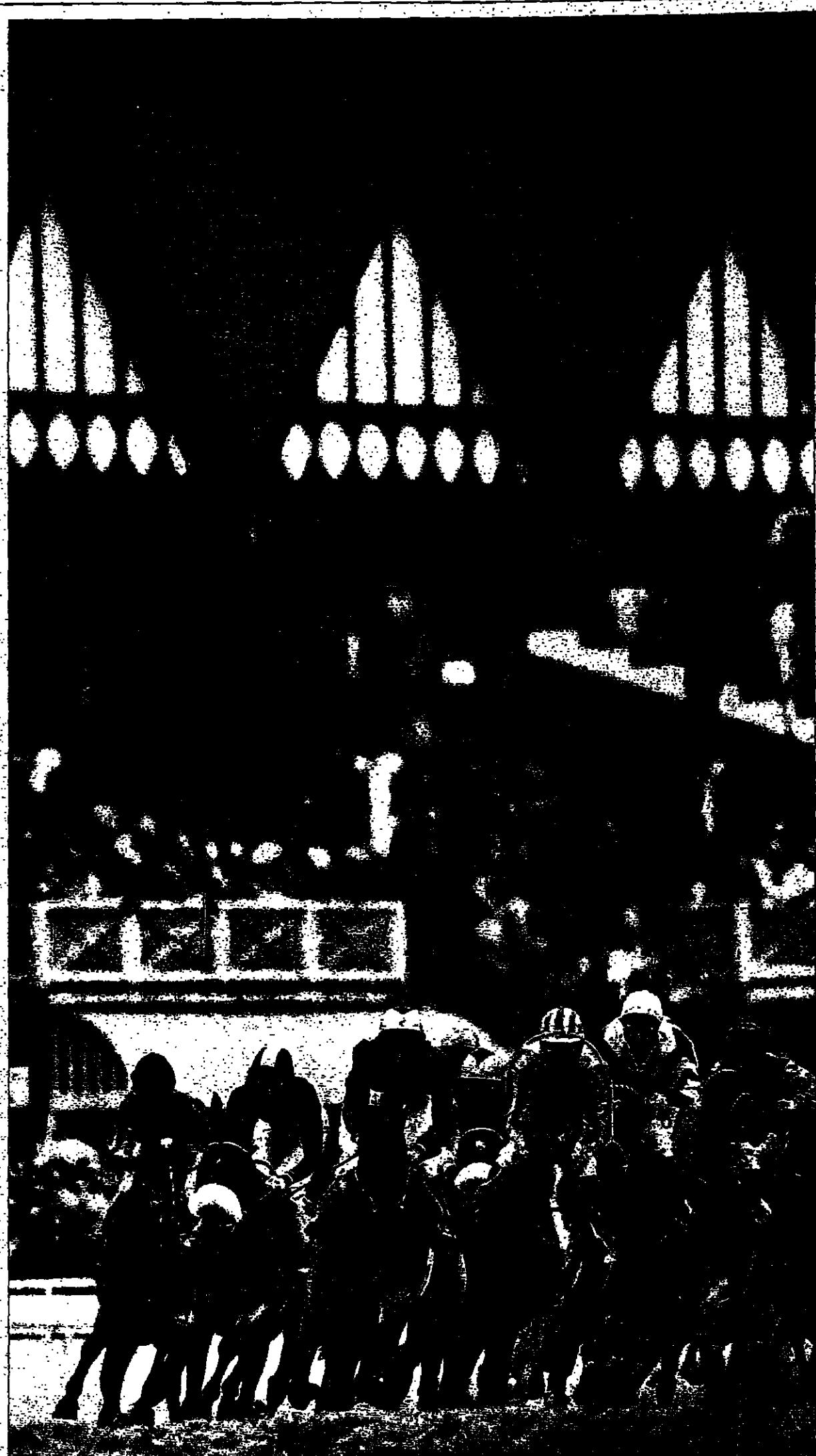
attended by around 650 people in Wheaton, Illinois, 30 miles from Chicago. Gullikson was remembered as a consummate tennis teacher, a fierce competitor and a friendly figure who loved to chat with anyone who loved to chat with anyone who loved to listen.

Apart from Sampras, the service was attended by Andre Agassi, Jim Courier, Mary Joe Fernandez, Aaron Krickstein and many other luminaries from the world of tennis who were paying their last respects to Gullikson, who died of brain cancer at the age of 44.

He also coached Fernandez, Krickstein and Martina Navratilova after a doubles career that carried Gullikson and his twin, Tom, to the Wimbledon final in 1983.

Tom Gullikson told the worshippers that his twin and doubles partner "was always fun to be around. In my 44 years, I never had a boring day with him."

Others players present at the service included Todd Martin, Brad Gilbert, Patrick McEnroe and David Pate as well as the veterans Jose Higueras and Stan Smith.



Round the bend: Runners in yesterday's Chester Cup, won easily by a horse called Merrit, sweep round the tight turns of Britain's oldest racecourse. Racing, page 21. Photograph: Phil Cole/Allsport

Open in five-year deal with BBC

Golf
TIM GLOVER

The Open Championship will continue to be shown on BBC television for the next five years. The Royal and Ancient yesterday announced they had signed a new and extended contract which will guarantee coverage of the world's oldest major championship on terrestrial TV until 2001.

Michael Bonallack, secretary of the R and A, said: "We are delighted that the long and happy relationship between the Royal and Ancient Golf Club and the BBC continues. It means that millions of viewers can still enjoy live coverage of the Open Championship into the next century. Prior to this announcement there had been speculation that the committee were considering switching to satellite coverage whereas in reality this was never a factor in our deliberations."

This represents an extraordinary about-face by Bonallack, who earlier in the year said the R and A were very interested in doing a deal with Sky adding: "Our policy is to put money back into golf. We could use more money to invest but we can't get it unless we show the Open on satellite TV." He also said that no decision would be made until the BBC's current four-year contract had expired after the 125th Open at Royal Lytham in July.

Sky had offered £25m for a five-year deal whereas the BBC's old contract was secured for less than a million. The R and A has clearly succeeded in coercing more money from the BBC although last night both parties were coy about the figures. "We never discuss the sums involved," a spokeswoman for the BBC said. Jonathan Martin, head of BBC TV Sport, said: "The Open is a huge landmark in every sporting summer and we are delighted to have secured that coverage will be available to the entire British public." Although the Open is the flagship of the BBC's golf coverage, large holes had appeared in its convoy with the loss of the Ryder Cup and a host of European Tour events to Sky. The timing of the new deal coincides with Sky's announcement that it had gained exclusive rights to the US Open and the US PGA to the turn of the century.

The Open was not one of the nation's "listed" events – the Olympic Games, the World Cup, Test cricket, Wimbledon, the Grand National, the Derby, the FA Cup final and the Scottish FA Cup final – prevented by current legislation from being broadcast on pay per view television.

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ACROSS

- Russian's safe – rallying, finally, in operating theatre (5,5)
- Match I win, crushing Italian (7)
- Knock down in review (3,4)
- Old poet read aloud (4)
- Fasten child's cuff first (5)
- With edge, it's easy getting caught out (4)
- A trifle diluted, drink's brought round (7)
- Cross? Meter's faulty reading's far out (7)
- Force and mass (7)
- Militant? It's getting backing of Union? (7)
- Prime timber defaced (4)
- Animated extra, Disney's last (5)
- George comes from man? (4)
- Best opposition? Oxford's last on river (7)
- Attacks partners, leading with Spades (7)
- How do you mean? (13)

DOWN

- In the end I had to produce patent (7)
- Moses automatically embodies Biblical character (4)
- Falling and crawling (7)
- One in charge brought up over man's complaint (7)
- Band's new – fiddle's out (4)
- Deposit a fourth of leavings in ship (7)
- Reckless driving with loss in chipolago (6,7)
- One involved in underground activities? (13)
- Elbow? It's anything but (5)
- Account's rough – thousand short (5)
- Wrench pulled up, getting into awful trouble (7)
- Primitive (non-aluminium) component (7)
- Manages with new desk installed by chairman (5,2)
- Minor, I see, wearing suit (7)
- Mastery finish to cathedral in Lincoln (4)
- The right market for a jumper? (4)

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Third hernia operation for Everton's Ferguson

Football

Duncan Ferguson, the Everton striker, is to have a third hernia operation in an attempt to cure the problem that has troubled him for more than a year.

Ferguson and Everton had hoped that rest would be the cure after he was pulled out of Scotland's Euro 96 squad. It has now been decided that surgery is the only answer for the former Rangers player. Ferguson, who had his first operation before last season's FA Cup Final, is to have the surgery in two weeks' time.

Rotherham United have been put up for sale less than a month after winning the Auto Windscreens Shield at Wembley. Chairman Ken Booth, aged 75, who rescued the Second Division club in 1987, announced that he will retire and has put his 86 per cent controlling interest on the market.

The club celebrated its most famous day last month when they beat Shrewsbury in the Shield final on their first appearance at Wembley.

The defender Paddy Atkinson returns after gashing a knee to bolster York City's defence for their relegation cliffhanger at Brighton this morning. York will beat the drop and condemn Carlisle United to the Third Division if they pick up a point, or even score three goals in defeat, against the already-relegated south coast side.

The game is being restaged with an 11am kick-off after the original fixture on 27 April was abandoned when Brighton fans rioted over proposals to leave the Goldstone Ground. Carlisle are furious that the game will take place after the completion of all other Second Division fixtures, saying York have an unfair advantage because they know what they have to do to avoid the trapdoor.

The Cumbrian club's chief executive, Michael Knighton, has threatened legal action against the Football Association's commercial director after "professional differences" with senior Lancaster Gate officials.

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The Cumbrian club's chief executive, Michael Knighton, has threatened legal action against the Football Association's commercial director after "professional differences" with senior Lancaster Gate officials.

Marius Lacatus, the Romanian international forward and one of Steaua's leading players, said: "I'm sure that without Valentin, Steaua would not have won the trophy."

"I tried to be a giant in the match, although the rather overweight keeper, who is now a border guard, appeared for just five minutes."

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